

FISCAL NOTE
Requested by Legislative Council
01/07/2019

Bill/Resolution No.: HB 1264

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				\$4,847,000		\$4,560,000
Appropriations				\$4,847,000		\$4,560,000

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill increases the speed limit to 75 from 70 mph on paved and divided, multilane highways and increases the speed limit to 80 mph from 75 mph on access-controlled, paved and divided, multilane interstate highways.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 raises the speed limit on certain roadways.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The initial fiscal impact that this bill will have relates to the need to change the speed limit signs on affected roadways. The estimated cost for the initial changes is \$287,000 (\$187,000 Interstate, \$100,000 Multilane).

After the initial impact, as the Department reconstructs the multilane and interstate system or makes major improvements we must follow the standards set out in the AASHTO Green book on Geometric Design and other Nationally recognized manuals. By increasing the speeds on the multilane and interstate system, there are horizontal and vertical curves that would need to be reshaped, curve advisory signing installed, interchange ramps and acceleration or deceleration lanes would need to be lengthened, turn lanes would need to be lengthened, guardrail would need to be lengthened, box culverts and pipes would need to be lengthened, and center bridge piers would need to be protected. As a result, after the initial impact, the remaining 2019-2021 Biennium fiscal impact is estimated at \$4,560,000 (\$4,440,000 Interstate, \$120,000 Multilane).

We would have similar impacts each biennium for at least 20 years as we reconstruct our road system.

This fiscal note does not quantify the cost impact to society as a result of higher speeds. We include the following information to briefly address such impacts; these impacts are a significant concern as an increase in deaths due to motor vehicle crashes is totally contrary to the objective of the State of North Dakota's Vision Zero program:

- i. According to the National Highway Traffic Safety Administration, the probability of death, disfigurement, or debilitating injury grows with higher speed at impact. Such consequences double for every 10 mph over 50 mph that a vehicle travels.
- ii. According to the Insurance Institute for Highway Safety – Highway Loss Data Institute, each 5 mph increase in the maximum speed limit resulted in a 4 percent increase in fatalities. The increase on interstates and freeways, the roads most affected by state maximums, was 8 percent.
- iii. According to the National Safety Council, the comprehensive cost of each death resulting from a motor vehicle crash is \$4.1 million dollars.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

NDDOT has not included the initial costs in the 19-21 biennium budget request. Therefore, an addition to the 2019-2021 appropriation of \$4.847 million would be needed.

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