

FISCAL NOTE
Requested by Legislative Council
03/26/2009

Bill/Resolution No.: SB 2443

1A. **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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **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 would result in government entities covering the cost of any utility relocations resulting from projects funded through the American Recovery and Reinvestment Act of 2009 (ARRA).

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.*

It is not possible to estimate the fiscal impact of this bill at this time because we do not know all of the projects that will be undertaken using ARRA funds. However, the following points should be noted as they demonstrate the likely fiscal impacts:

* Utility relocations within highway right of way are normally not funded by the government entity. Since these utility facilities are on government owned property, the utility relocation costs are normally the responsibility of the utility. This bill would result in these costs becoming the added responsibility of the government entity on ARRA projects; often times these costs can be very substantial.

* Utility relocations outside of highway right of way are normally paid for by the government entity. Since the government entity normally bears these costs, these costs should not be considered as additional costs resulting from this bill.

In summary, as a result of this bill, government entities may realize substantial additional costs for relocation of utility facilities on highway right of way on ARRA projects. These costs are normally not eligible for federal funding; therefore the costs would be borne by city, county, and state funds.

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.*

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 is also included in the executive budget or relates to a continuing appropriation.*

Name:	Shannon Sauer	Agency:	NDDOT
Phone Number:	328-4375	Date Prepared:	03/27/2009