

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0791-01
Bill No.: HB 437
Subject: Property, Real and Personal; Contracts and Contractors; Construction and Building Codes; Environmental Protection
Type: Original
Date: April 9, 2013

Bill Summary: This proposal modifies provisions relating to underground facility safety.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Road Fund	(Up to \$2,875,000)	(Up to \$5,750,000)	(Up to \$5,750,000)
Total Estimated Net Effect on Other State Funds	(Up to \$2,875,000)	(Up to \$5,750,000)	(Up to \$5,750,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§ 319.015, 319.022, 319.024, 319.025, 319.026, 319.027, 319.030, 319.035, 319.045, 319.046, and 319.050 - Underground Facility Safety:

Officials from the **Department of Transportation (MoDOT)** state MoDOT currently receives around 55,000 tickets statewide at a cost of \$1.30 per ticket, plus labor cost, MoDOT averages around \$450,000 annually in cost.

Under this proposal, MoDOT assumes the changes would include all of MoDOT's 30,000 plus miles of roads in the Missouri One Call System for the location of water and sewer lines, storm drainage, and crossroad ditches which would increase MoDOT's coverage area to a 100 times or more.

MoDOT assumes this could result in up to 690,000 tickets statewide with an operating cost of \$6.2 million per year.

MoDOT states Missouri One Call received 690,000 request for locates in 2012. With an increase in coverage area MoDOT could expect to receive a ticket for the majority of those requests.

MoDOT assumes an unknown cost greater than \$100,000 to the Road Fund.

Oversight assumes section 319.015(15), removes the exemption to water, storm drainage, cross road drainage, and sewer lines owned by MoDOT for underground facilities at any location.

Oversight assumes MoDOT fulfills Missouri One Call ticket requests at a cost of \$1.30 per ticket plus labor cost. This proposal would expand the number of Missouri One Call requests on MoDOT right-of-ways.

Oversight will show an unknown cost to the Road Fund up to the estimated total future costs of \$6,200,000 minus current total costs of \$450,000 equal to \$5,750,000 in FY14, FY15, and FY16.

Officials at the **Office of Attorney General (AGO)** assumes that any potential costs arising from this proposal can be absorbed with existing resources. If multiple proposals or significant litigation results, AGO may seek an additional future appropriation.

ASSUMPTION (continued)

Officials from the **Office of Administration - Division of Facilities Management Design and Construction, Department of Labor and Industrial Relations, Department of Economic Development, Department of Natural Resources,** and the **Missouri Tax Commission** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (6 Mo.)	FY 2015	FY 2016
ROAD FUND			
<u>Cost - MoDOT</u> § 319.015 - Increased Underground Facility Coverage Area	(Up to <u>\$2,875,000</u>)	(Up to <u>\$5,750,000</u>)	(Up to <u>\$5,750,000</u>)
ESTIMATED NET EFFECT ON THE ROAD FUND	(Up to <u>\$2,875,000</u>)	(Up to <u>\$5,750,000</u>)	(Up to <u>\$5,750,000</u>)

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (6 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

§ 319.015 - Underground Facility Safety:

This proposal changes the laws regarding underground facility safety.

The proposal has an effective date of January 1, 2014.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Natural Resources
Office of the Attorney General
Office of Administration -
 Division of Facilities Management Design and Construction
Department of Labor and Industrial Relations
Department of Economic Development
Missouri Tax Commission



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