SB 1566 -8 STAFF MEASURE SUMMARY

Joint Committee On Transportation

Prepared By: Patrick Brennan, LPRO Analyst

Meeting Dates: 2/8, 2/20

WHAT THE MEASURE DOES:

This measure lets counties charge a fee for work on water, sewer, power, and other types of infrastructure in road rights of way under the county's control.

<u>Detailed Summary</u>: Allows a county governing body to require a permit to construct, alter, relocate, maintain, or repair utility service lines, fixtures, or facilities, within a public road right of way. Creates exceptions for vegetation management, routine replacement or maintenance required by the Public Utility Commission, for certain specified maintenance projects, relocation of infrastructure required by the county, or when urgent work is necessary to protect public health and safety. Sets maximum fee for permit at \$500 and provides for annual increases of up to five percent, based on Consumer Price Index. Sunsets January 1, 2031. Declares emergency, effective on passage:

ISSUES DISCUSSED:

- Lengthy history of issue
- Measure is product of work group
- Types of projects to be exempted
- Most common types of projects that would be subject to fee
- Impact of utility work on flow of traffic

EFFECT OF AMENDMENT:

-8 Replaces original measure. Stipulates that a person that wants to construct, alter, relocate, maintain, repair a water, gas, electric or communication service line, fixture, or other facility within the right of way of a county road is responsible for applying for any permit and paying any fee required by the governing body. Authorizes a county governing body to require a permit for such activities and may charge a fee of up to \$500 for the permit, except for specified activities. Directs the county to issue or deny the permit within 15 business days of application. Provides for annual increase in fees of the lesser of five percent or the percentage increase based on the Consumer Price Index, provided the fee is not greater than necessary to recover cost of administration, issuance, and enforcement. Specifies that nothing in the measure allows assessment of a franchise fee or privilege tax, nor does it prohibit a county from entering into a franchise agreement for utility access to a right of way. Becomes operative January 1, 2025. Sunsets January 2, 2031. Declares emergency, effective on passage.

FISCAL: No fiscal impact on measure w/the -8 amendment REVENUE: No revenue impact on measure w/the -8 amendment

BACKGROUND:

Transportation networks and utility networks often share similar pathways, particularly through more rural areas. As both types of networks grow, there are opportunities for each to use a common right of way. However, because transportation networks and those for electric, water, and telecommunications utilities utilize the shared space differently, problems can arise due to construction, maintenance and operations of the various users of the shared right of way. Fixtures, lines, and other facilities owned by utilities can, in certain circumstances, materially affect the safe operation and maintenance of highways; in other circumstances, work on utility facilities can require limiting capacity of a road segment, or closing the road to traffic completely while work is performed.

