



# HOUSE BILL 771: DOT/Utility Relocation Costs

2015-2016 General Assembly

<b>Committee:</b>	House Transportation, if favorable, Finance	<b>Date:</b>	April 21, 2015
<b>Introduced by:</b>	Reps. Shepard, R. Turner, Hurley, Robinson	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 771 requires the Department of Transportation, when water and sewer lines are located in the right-of-way of a State transportation improvement project, to:*

- *pay the nonbetterment costs of moving water and sewer lines for a municipalities with a population of 10,000 or less, and*
- *a portion of the nonbetterment cost of moving water and sewer lines for municipalities with a population greater than 10,000, but less than 50,000.*

**CURRENT LAW:** The NC Department of Transportation is authorized by G.S. 136-18(10) to allow entities that provide various utility services to locate their utility lines on DOT rights-of-way. The cost to move the lines because of a DOT project must be paid by the utility, unless State law provides otherwise.

G.S. 136-27.1<sup>1</sup> requires the Department of Transportation to pay the nonbetterment<sup>2</sup> cost of relocating the water and sewer lines owned by certain entities in the transportation right-of-way when the lines must be moved for a transportation improvement project.

The Department must pay the nonbetterment cost to move water and sewer lines belonging to the following: Municipalities with a population of 5,500 or less; nonprofit water or sewer associations and corporations; a water or sewer system organized under Chapter 162A; a rural water system operated as a County enterprise system; sanitary districts; and a municipality with a population greater than 5,500, if the line was originally constructed by a water and sewer system organized under Chapter 162A.

**BILL ANALYSIS:** House Bill 771 requires the Department of Transportation, when utility lines are located in the right-of-way of a State transportation improvement project, to:

- pay the nonbetterment costs of moving water and sewer lines for municipalities with a population of 10,000 or less, and
- pay a portion of the nonbetterment costs of moving water and sewer lines for municipalities with a population greater than 10,000, but less than 50,000:

For a municipality with a population greater than 10,000, but less than 25,000, DOT shall pay 75%, and the municipality 25%. For a municipality with a population of 25,000 or greater, but less than 50,000, DOT shall pay 50%, and the municipality shall pay 50%.

**EFFECTIVE DATE:** This act is effective when it becomes law.

<sup>1</sup> G.S. 136-27.2 also requires DOT to pay the nonbetterment cost for the relocation of county owned natural gas lines, located in DOT right-of-way, that the DOT needs to relocate due to a State transportation improvement project.

<sup>2</sup> "Nonbetterment cost" refers to the cost to move, but not improve, the utility line.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

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