

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5710-03
Bill No.: HCS for HB 1991
Subject: Utilities
Type: Original
Date: February 20, 2018

Bill Summary: This proposal modifies provisions relating to wireless facilities and related infrastructure.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Highway Funds	(Unknown - could be substantial)	(Unknown - could be substantial)	(Unknown - could be substantial)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown - could be substantial)	(Unknown - could be substantial)	(Unknown - could be substantial)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Economic Development (Public Service Commission, Office of Public Counsel, and the Division of Energy)** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Department of Transportation (MoDOT)** assume the following:

67.5111: This section of the proposal affects right of way excluding that along federal interstate highways. This would incur costs of \$10 million to \$20 million per year. Wireless support structures would now include existing structures designed to support or capable of supporting wireless facilities. The cost comes from when MoDOT having to replace existing structures such as signs for routine wear and tear (reflective signs lose reflecting qualities after around ten years). MoDOT would be responsible for relocation costs of attached structures owned by wireless companies under the changes to this section.

67.5113: This section of the proposal would cost an estimated \$5 million per year to MoDOT due to increased reviewing of plans and permits. Permits would only be able to be denied if the proposed application would meet all the conditions of the section and fails to comply with reasonable and nondiscriminatory requirements.

Further, the bill requires MoDOT and other political subdivisions to review permits within the shot clock, lest they be automatically deemed. The bill also significantly limits MoDOT's ability to deny an application.

This bill significantly reduces the Missouri Highway and Transportation Commission's (MHTC) ability to require the wireless providers to indemnify the MHTC for equipment placed in the right of way which could have a significant impact on the settlement costs (\$400K+/crash/person) for the MHTC following an accident involving wireless equipment. Thus, unquantifiable, but significant litigation costs would be likely to stem from this legislation.

Oversight will reflect an (Unknown - could be substantial) cost to MoDOT to Highway Funds.

Officials from the **Department of Natural Resources** assume the proposal will have no fiscal impact on their organization.

In response to a previous version, officials from **Boone County** assumed the proposal will have no fiscal impact on their organization.

ASSUMPTION (continued)

Officials from numerous local political subdivisions did not respond to **Oversight's** request for fiscal impact. Without responses to the contrary, Oversight will assume the proposal will not fiscally impact cities, counties, and other "authorities" as described in the bill.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
HIGHWAY FUNDS			
<u>Cost</u> - MoDOT - various changes within the proposal	<u>(Unknown - could be substantial)</u>	<u>(Unknown - could be substantial)</u>	<u>(Unknown - could be substantial)</u>
ESTIMATED NET EFFECT TO HIGHWAY FUND	<u>(Unknown - could be substantial)</u>	<u>(Unknown - could be substantial)</u>	<u>(Unknown - could be substantial)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2019 (10 Mo.)	 FY 2020	 FY 2021
	<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

This bill enacts the "Uniform Small Wireless Facility Deployment Act".

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

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SOURCES OF INFORMATION

Department of Economic Development
Department of Natural Resources
Department of Transportation
Boone County

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope".

Acting Director
February 20, 2018