

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** HB 1492 (First Edition)

**SHORT TITLE:** Secondary Road Paving

**SPONSOR(S):** Rep. Buchanan

<b>FISCAL IMPACT</b>					
	<b>Yes ( )</b>	<b>No (x)</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2002-03</u></b>	<b><u>FY 2003-04</u></b>	<b><u>FY 2004-05</u></b>	<b><u>FY 2005-06</u></b>	<b><u>FY 2006-07</u></b>
<b>REVENUES</b>					
<b>EXPENDITURES</b>					
<b>POSITIONS:</b>					
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>	Department of Transportation				
<b>EFFECTIVE DATE:</b>	When the bill becomes law.				

**BILL SUMMARY:**

Under current law, if DOT is planning to pave a secondary road and it needs right-of-way for the project, it is required to negotiate for acquisition of the right-of-way for up to six months and then is required to condemn the necessary right-of-way, if 75% or more of the property owners adjacent to the project, and the owners of 75% of the road frontage adjacent to the project have provided the necessary right-of-way and funds to cover the condemnation costs (up to \$2500).

House Bill 1492 changes G.S. 136-44.7(c) to require DOT to condemn property needed for a planned secondary road project, if 75% or more of the property owners adjacent to the project, and the owners of the majority of the road frontage adjacent to the project have provided the necessary right-of-way and funds to cover the condemnation costs (up to \$2500).

**ASSUMPTIONS AND METHODOLOGY:**

House Bill 1492 changes the standards enacted in 2001 to expand the situations where DOT is required to condemn land for a secondary road project. Instead of condemning when owners of 75% of the property adjacent to the project have provided necessary right-of-way and condemnation funds, the bill would require DOT to condemn when owners of the majority of the adjacent property have done so.

The requirements of this bill do not exceed those currently specified in the General Statutes; G.S. 136-182 already requires that DOT pave all secondary roads. Because the statutes already require all secondary roads to be paved, whether property must be condemned or not, we do not believe that Senate Bill 1492 represents any new obligations or costs to the State. Although the bill may result in a slight change in the way that DOT prioritizes secondary roads for paving, the Fiscal Research Division believes these changes would be insignificant. Based on condemnation data collected both before and after the secondary road condemnation law was changed last year, we do not anticipate significant changes in the secondary road paving schedule resulting from this bill, nor do we anticipate a significant increase in condemnations.

**SOURCES OF DATA:**

**TECHNICAL CONSIDERATIONS:**

**FISCAL RESEARCH DIVISION: (919) 733-4910**

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**DATE:** July 2, 2002



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