

Provisions of this bill allows the Department of Transportation to charge fees for longitudinal access of telecommunications. Current fees established by Administrative Rule (R-0-907-65-6) represent only the thirtyith percentile recommended by an independent professional study. The bill allows compensation to be paid with cash or in kind. No contracts have been completed at this time, but current bidders are requesting the in kind compensation form of payment. It is not possible at this time to determine a dollar value of the avoided costs the state will realize if companies elect to install telecommunications fiber instead of paying cash. The value could be minimal to several million dollars in value depending on demand for use of the State right of way. The in kind telecommunication assets will be partially used to connect UDOT facilities statewide, but the primary benefit will be realized in the advancement of educational and other technological improvements for other state agencies.

An unrelated provision of the bill requires the Department to share 50% - 50% the cost of relocating utilities in all state highways. A court ruling this past year stated that the department has no legal obligation to pay for relocation costs. With the exception of a contract for relocation of utilities in the current I-15 rebuild, that existed before the court ruling, the department is not expending funds for relocation. The 50% provision of this bill would require the Department to expend an estimated \$1,250,000 in FY 2001 for relocation costs. This payment would be made by reducing projects either in maintenance or construction of Utah highways by \$1,250,000.

Individual and Business Impact

Utility Companies would experience an estimated \$1,250,000 in reduced costs in FY 2001.
