

1 **RIGHT OF WAY EQUITY AMENDMENTS**

2 2019 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Francis D. Gibson**

5 Senate Sponsor: David G. Buxton

7 **LONG TITLE**

8 **General Description:**

9 This bill adds "crude oil" and "petroleum products" to the definition of "utility" in the
10 Construction, Maintenance, and Operations Act within the Transportation Code.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ adds "crude oil" and "petroleum products" to the definition of "utility" in the
14 Construction, Maintenance, and Operations Act within the Transportation Code;
15 and

16 ▶ establishes the cost a crude oil or petroleum products pipeline pays if relocated to
17 accommodate construction of a state highway project.

18 **Money Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **72-6-116**, as last amended by Laws of Utah 2018, Chapter 299

26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **72-6-116** is amended to read:

28 **72-6-116. Regulation of utilities -- Relocation of utilities.**

29 (1) As used in this section:

30 (a) "Cost of relocation" includes the entire amount paid by the utility company properly
31 attributable to the relocation of the utility after deducting any increase in the value of the new
32 utility and any salvage value derived from the old utility.

33 (b) "Utility" includes telecommunication, crude oil, petroleum products, gas,
34 electricity, cable television, water, sewer, data, and video transmission lines, drainage and
35 irrigation facilities, and other similar utilities whether public, private, or cooperatively owned.

36 (c) "Utility company" means a privately, cooperatively, or publicly owned utility,
37 including utilities owned by political subdivisions.

38 (2) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
39 the department may make rules for the installation, construction, maintenance, repair, renewal,
40 system upgrade, and relocation of all utilities.

41 (b) If the department determines under the rules established in this section that it is
42 necessary that any utilities should be relocated, the utility company owning or operating the
43 utilities shall relocate the utilities in accordance with this section and the order of the
44 department.

45 (3) (a) The department shall pay 100% of the cost of relocation of a utility to
46 accommodate construction of a state highway project, including the construction of a proposed
47 state highway and the improvement, widening, or modification of an existing state highway if
48 the:

49 (i) utility is owned or operated by a political subdivision of the state;

50 (ii) utility company owns the easement or fee title to the right-of-way in which the
51 utility is located; or

52 (iii) utility is located in a public utility easement as defined in Section [54-3-27](#).

53 (b) Except as provided in Subsection (3)(a) [~~or~~], (c), or (d) or Section [54-21-603](#), the
54 department shall pay 50% of the cost of relocation of a utility to accommodate construction of
55 a state highway project, including the construction of a proposed state highway and the
56 improvement, widening, or modification of an existing state highway, and the utility company
57 shall pay the remainder of the cost of relocation.

58 (c) If the utility described in Subsection (3)(b) is a crude oil or petroleum products
59 pipeline, unless the utility meets the conditions described in Subsection (3)(a):

60 (i) the utility company shall pay the lesser of:

61 (A) 50% of the cost of relocation of the pipeline to accommodate construction of a
62 proposed state highway and the improvement, widening, and modification of an existing
63 highway; or

64 (B) 50% of the cost of any structure or facility necessary to avoid impinging on the
65 pipeline, and the department shall pay the remainder of the cost of the structure or facility; and

66 (ii) the department shall pay the remainder of the cost.

67 ~~[(c)]~~ (d) This Subsection (3) does not affect the provisions of Subsection 72-7-108(5).

68 (4) If a utility is relocated, the utility company owning or operating the utility, its
69 successors or assigns, may maintain and operate the utility, with the necessary appurtenances,
70 in the new location.

71 (5) In accordance with this section, the cost of relocating a utility in connection with
72 any project on a highway is a cost of highway construction.

73 (6) (a) The department shall notify affected utility companies, in accordance with
74 Section 54-3-29, whenever the relocation of utilities is likely to be necessary because of a
75 reconstruction project.

76 (b) The notification shall be made during the preliminary design of the project or as
77 soon as practical in order to minimize the number, costs, and delays of utility relocations.

78 (c) A utility company notified under this Subsection (6) shall coordinate and cooperate
79 with the department and the department's contractor on the utility relocations, including the
80 scheduling of the utility relocations.