

Fiscal Estimate Narratives

DOT 2/28/2006

LRB Number	05-4140/1	Introduction Number	AB-1016	Estimate Type	Original
Description The acquisition of land, easements, and development rights in land by the Department of Transportation for highway projects					

Assumptions Used in Arriving at Fiscal Estimate

There will be a fiscal impact at the state level. The department will continue to have reason to acquire land, easements, and development rights along highway rights-of-way to accommodate pending and future highway projects. This legislation forces the department to forego early and less expensive actions to manage development adjacent to its right-of-way. Instead, more costly actions will be required to undo, redirect, or relocate development.

Development affects highways by generating traffic, increasing parking requirements, reducing sight distances, increasing the need for driveways and other highway access points, and eventually, impairing the safety and impeding traffic movements. When and where the department may be able to anticipate these potential problems, this bill constrains the department's ability to respond in advance to these inevitable consequences of development outside the existing highway right-of-way.

Constraining the department from acquiring lands and interests outside the existing highway right-of-way severely hampers the department's ability to address either in a timely fashion or a less costly manner any existing or future system capacity or safety needs.

The proposal's prohibition on severing the development potential of property could be interpreted to require the department to purchase, in all instances, fee simple interests, even where some lesser and less costly interest in land (like an easement) would be more practical

Long-Range Fiscal Implications

The fiscal effect is indeterminate but a significant state fiscal impact is possible. Much of the fiscal impact is dependent on decision made in isolation by individual property owners adjacent to a highway and the different zoning regulations imposed by local authorities through which a highway passes.