



## Fiscal Estimate Narratives

DOT 1/11/2006

|  |           |                     |        |               |          |
|--|-----------|---------------------|--------|---------------|----------|
| LRB Number   | 05-4259/1 | Introduction Number | SB-480 | Estimate Type | Original |
| <b>Description</b><br>Transporting buildings on the highways and providing penalties |           |                     |        |               |          |

### Assumptions Used in Arriving at Fiscal Estimate

This bill establishes several requirements for transporting buildings on highways. These provisions apply to building transport, in addition to any other requirement in state law related to motor carriers, driver licenses, equipment requirements, rules of the road, and in federal law.

In these provisions, the term "building" is specifically defined as a dwelling or other structure – or a portion thereof – that is more than 12 feet wide, or 14 feet 3 inches high, or 100 feet long; that is transportable as a whole or in sections; and that is raised and supported from an existing foundation and placed on a permanent foundation at a new location. The definition explicitly excludes modular housing or manufactured home. Usually, transporters affected by this bill are called "housemovers," although they move not only houses but also other structures.

The bill amends the definition of "contract motor carrier" to explicitly include transportation of buildings. Thus, building transporters must abide by motor carrier laws, which include certain insurance requirements.

The bill prohibits transporting a building on a highway unless the vehicle is a Commercial Motor Vehicle (CMV) and the operator holds a CDL and the transporter has a valid motor carrier authority. Also, a person may not operate a vehicle transporting a building if a person is in the building; and the operator must stop at railroad crossings. The bill establishes penalties for violating these provisions.

Under the bill, DOT and local highway officials may issue single trip oversize permits for vehicles transporting buildings on highways under their jurisdictions. The bill creates an annual or consecutive month permit for transporting buildings, and authorizes DOT to issue the permit for both state and local highways.

The bill establishes several requirements that the applicant must satisfy, before DOT or local officials may issue permits: the persons who will operate the vehicle all have Commercial Driver Licenses (CDLs) and appropriate endorsements; the applicant has valid motor carrier certificate of authority, and has certain required liability and damage insurance which is in addition to the insurance required as a motor carrier. In addition, DOT or local officials may deny a permit, if certain other circumstances apply: conviction within the past 3 years of transporting a building without a CDL or motor carrier authority; having engaged in conduct endangering safety of persons using the highways; having previously not paid for damages caused while transporting a building; or having previously abandoned a building on a highway or on public or private property without the property owner's permission.

The bill creates a new type of permit. DMV will incur a one-time cost of \$18,700 for data processing modifications to create a building transport permit. System modifications involve creating business rules governing permit eligibility, fee calculations, fee deposits, and similar linkages with other business systems, and testing all modifications. The bill does not appropriate funds to cover this cost, and DMV cannot absorb the cost within its current budget.

The bill will not increase the volume of state permits issued, because these loads are currently permitted under general oversize permit statutes, and under this bill will simply be permitted under the newly created building transport permit. Thus, there is no on-going cost or revenue impact to the DOT or the Transportation Fund.

Local fiscal impact is indeterminate, since DOT has no way of knowing how many local officials will issue permits for building transport, and how that compares with current volumes of local permitting.

## **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

|  |  |  |                 |
|--|--|--|-----------------|
| <b>LRB Number</b> 05-4259/1  |  | <b>Introduction Number</b> SB-480              |                 |
| <b>Description</b><br>Transporting buildings on the highways and providing penalties   |  |  |                 |
| <b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b><br><br>One-time cost to DMV of \$18,700 for data processing modifications to create a building transport permit. The bill does not appropriate funds to cover this cost, and DMV cannot absorb the cost within its current budget. |  |  |                 |
| <b>II. Annualized Costs:</b>   |  | <b>Annualized Fiscal Impact on funds from:</b> |                 |
|  |  | Increased Costs                                | Decreased Costs |
| <b>A. State Costs by Category</b>  |  |  |                 |
| State Operations - Salaries and Fringes  |  | \$   |                 |
| (FTE Position Changes)   |  |  |                 |
| State Operations - Other Costs   |  |  |                 |
| Local Assistance   |  |  |                 |
| Aids to Individuals or Organizations   |  |  |                 |
| <b>TOTAL State Costs by Category</b>   |  | <b>\$</b>                                      | <b>\$</b>       |
| <b>B. State Costs by Source of Funds</b>   |  |  |                 |
| GPR  |  |  |                 |
| FED  |  |  |                 |
| PRO/PRS  |  |  |                 |
| SEG/SEG-S  |  |  |                 |
| <b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>   |  |  |                 |
|  |  | Increased Rev                                  | Decreased Rev   |
| GPR Taxes  |  | \$   | \$              |
| GPR Earned   |  |  |                 |
| FED  |  |  |                 |
| PRO/PRS  |  |  |                 |
| SEG/SEG-S  |  |  |                 |
| <b>TOTAL State Revenues</b>  |  | <b>\$</b>                                      | <b>\$</b>       |
| <b>NET ANNUALIZED FISCAL IMPACT</b>  |  |  |                 |
|  |  | State  | Local           |
| NET CHANGE IN COSTS  |  | \$   | \$              |
| NET CHANGE IN REVENUE  |  | \$   | \$              |
| <b>Agency/Prepared By</b>  |  | <b>Authorized Signature</b>                    | <b>Date</b>     |
| DOT/ Carson Frazier (608) 266-7857   |  | Julie Johnson (608) 267-3703                   | 1/11/2006       |