

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**Session 2017**

**Legislative Fiscal Note**

**BILL NUMBER:** House Bill 304 (First Edition)  
**SHORT TITLE:** DOT/Maintain Driveways Used by School Buses.  
**SPONSOR(S):** Representatives C. Graham and Pierce

<b>FISCAL IMPACT</b>					
(\$ in millions)					
<input checked="" type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> <input type="checkbox"/> <b>No Estimate Available</b>					
<b>State Impact</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>FY 2021-22</b>
Highway Fund Revenues	\$2.0 to \$3.0	\$2.0 to \$3.0	\$2.0 to \$3.0	\$2.0 to \$3.0	\$2.0 to \$3.0
Highway Fund Expenditures:	to	to	to	to	to
State Positions:	to	to	to	to	to
<b>NET STATE IMPACT</b>	<b>\$2.0 to \$3.0</b>	<b>\$2.0 to \$3.0</b>	<b>\$2.0 to \$3.0</b>	<b>\$2.0 to \$3.0</b>	<b>\$2.0 to \$3.0</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Department of Transportation					
<b>EFFECTIVE DATE:</b> Effective when it becomes law.					
<b>TECHNICAL CONSIDERATIONS:</b> None					

**BILL SUMMARY:**

This bill amends G.S. 136-18(17) to authorize and direct the Department of Transportation to maintain and keep in repair any private driveway used by a public school bus for the purpose of turning the school bus around. To be eligible, this bill requires the owner of the driveway to submit written consent to the superintendent of the local school administrative unit authorizing the driveway to be used for that purpose.

**ASSUMPTIONS AND METHODOLOGY:**

The Department of Transportation (DOT) estimates that the average cost per private driveway will be \$500 per treatment with two treatments each year. This estimate includes costs to construct or repair new and existing driveways. Examples include repairing potholes, laying new stone for gravel drives, or other light maintenance activities. Fiscal staff agrees with DOT's \$500 per treatment estimate but does not agree 2 treatments are necessary each year for all drives.

To estimate the number of affected drives, DOT used four methodologies to estimate the fiscal impact. These estimates ranged from \$2.4 million to \$4.6 million per year. Fiscal staff supports the use of two of four methodologies to estimate the number of drives. The first consensus methodology used the results of a system-wide polling of all schools within Highway Division 9. DOT used these results to extrapolate a statewide impact of \$3.4 million annually, but this analysis

included the inflated \$1,000 per year, per driveway estimate. This analysis did not include an estimate for property owners who will begin to allow Local Education Agencies (LEAs) the use of their drive once DOT is required to construct, pave and maintain the driveway. Fiscal staff estimates the number of property owners will increase throughout the 5-year analysis as LEAs become more knowledgeable about this law and property owners are assured that DOT has the financial burden for maintenance.

In the second consensus methodology, DOT used the number of dead-end State maintained roads without cul-de-sacs to generate a second estimate of \$4.6 million per year. Staff believes DOT's estimate of 20% of dead-end roads without cul-de-sacs being bus routes is too high. The second analysis did not include an estimate for private drives used on roads that are not dead-end and it included the inflated \$1,000 per year, per driveway estimate. Based on revisions to these two methodologies, fiscal staff estimates that the impact will range from \$2 million to \$3 million in each of the five fiscal years used in this analysis.

**SOURCES OF DATA:** Department of Transportation

**TECHNICAL CONSIDERATIONS:** None

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**Fiscal Research Division**

**DATE:** April 24, 2017



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