Local Government Mandate Statement Kentucky Legislative Research Commission 2021 Regular Session

Part I: Measure Information

Bill Request #: 1256							
Bill #: SB 172 HCS							
Document ID #: <u>6837</u>							
Bill Subject/Title: AN ACT relating to underground facility protection.							
Sponsor: Senator Jason Howell							
Unit of Government: x City x County x Urban-County Unified Local T Charter County T County T County							
<u>x</u> Charter County <u>x</u> Consolidated Local <u>x</u> Government							
Office(s) Impacted: County and municipal utilities							
Requirement: <u>x</u> Mandatory Optional							
Effect on Powers & Duties: <u>x</u> Modifies Existing <u>x</u> Adds New Eliminates Existing							

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

The fiscal effect of SB 172 HCS 1 is indeterminate and nil to minimal. Some time and effort costs may result from the requirement that, regardless of the excavator or purpose of excavation, if an underground facility is damaged then the excavation must immediately stop and authorities must be notified. Senate Bill 172 HCS 1 should have little financial impact on cities. It may lead more individuals to request markings. That could lead to city utility personnel making more runs to mark land. Also, they might be notified more quickly if one of the entities or individuals outlined in Section 2 damages a city-owned underground facility.

SB 172 HCS 1 provides that all damage to gas, petroleum and hazardous liquid underground facilities must report such damage, whether otherwise exempt from requirements of KRS 367.4901 to 367.4917 or not.

The Kentucky Municipal utilities Association sees no additional costs or concerns for city utilities from this bill. In effect, the Act only clarifies that any (and all) excavation

operations that damage an underground facility must stop excavation and notify "all affected operators of the location".

Part III: Differences to Local Government Mandate Statement from Prior Versions

SB 172 HCS 1 makes no change to the fiscal impact of SB 172 GA.

SB 172 HCS 1 clarifies that **all entities**, whether exempt from KRS 367.4901 to 367.4917 or not, must report underground facility damage that releases flammable, toxic or corrosive gasses, or petroleum, or hazardous liquids. The Substitute also provides that nonintrusive excavating to inspect or perform maintenance for an existing utility pole is added to the list of exemptions to requirements of the above statures.

Data Source(s): Kentucky Municipal Utilities Association; Kentucky League of Cities
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Preparer:	H. Marks	Reviewer:	KHC	Date:	3/11/21
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