

## PERMANENT LAW

This section describes permanent law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

### **Eminent domain authority (ORC Section 5501.31)**

Would extend the department's eminent domain authority to acquire property for use to construct bikeways and bike paths, and for conservation purposes required by state or federal law.

The fiscal effect of this change would depend on the use of the new authority in practice. In the case of land that the department would have acquired even without this new authority, acquisition costs may be reduced. In the case of land that the department would not attempt to acquire without this authority, acquisition costs would increase. Thus, the overall fiscal effect of this provision would depend on ODOT's plans to build bikeways.

### **Real property appraisals (ORC Sections 163.10, 163.22)**

Would change the laws of discovery during court proceedings involving state acquisition of real property. The change would mean that the state agency initiating appropriation proceedings would be provided with copies of any appraisals of the property in question.

May reduce the cost of acquisition of property in some cases.

### **Property acquisition limitations (ORC Section 5529.03)**

The department may not currently acquire real property located more than 300 feet from the nearest edge of a highway for purposes of enhancing scenic beauty or for constructing rest and recreation facilities to accommodate the traveling public. This change would ensure that the department could acquire real property located more than 300 feet from a highway for conservation purposes.

Would increase costs when the authority is used.

### **Billboard permit filing (ORC Section 5516.10)**

The law currently requires the owner of a billboard to obtain a permit from the Director of Transportation on an annual basis. This change would allow such owners to obtain permits good for two years.

ODOT intends there to be no fiscal effect from any changes in fees that would accompany this change in the law. Fees would be adjusted to reflect the time period.

### **Design/build construction authority (ORC Section 5517.011)**

Would allow the Director of Transportation to combine the design and construction elements of a highway or bridge project into a single contract. The total dollar value of all contracts featuring such combination of design and build elements could not exceed \$250 million for the biennium. As part of a related pilot program that would end June 30, 2003, the director would be permitted to award no more than two contracts that combine these elements using the technical proposal process.

The department issued a report on its experience with design/build contracts in December of 2000. In that report, the department recommended that this authority be continued on this limited basis because the time savings from project inception through completion can be substantial—a reduction between 15% and 40% according to nationwide experience. Accompanying the time savings, there may be some reduction in costs, which vary substantially from one project to another. The report indicated that costs were reduced by 6% on one project, and by 30% on another, which illustrates the individuality of each project. The department would not recommend replacing the currently predominant design-bid-build process for most contracts.

**Procurement of professional design services (ORC Sections 5501.17, 5501.18, and 5526.01 through 5526.08)**

Would create a chapter in Title 55 specific to the needs of the department in procuring the following professional services: engineering, as defined in ORC Sec. 4733.01; surveying, as defined in ORC Sec. 4733.01; landscape architecture as defined in ORC Sec. 4703.30; analysis of environmental impacts; right-of-way acquisition services; administration of contract claims; and architectural services related to bridges. The department currently follows the requirements in ORC sections 153.65 through 153.71 for professional design services procurement.

Clarifies the legal status of ODOT authority to contract with certain types of professional service providers, with which it currently does contract in practice.

**Revision to Chapter 151 (ORC Section 151.01)**

Would correct an inaccurate reference within existing section 151.01.

## TEMPORARY LAW

This section describes temporary law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

**Bond Issuance (section 4.01 of the bill)**

Would authorize the issuance of \$257.5 million in bonds for highway purposes. In the last transportation budget act, \$320 million was authorized.

**Highway Obligations (section 4.01 of the bill)**

Would reduce the authorization to issue bonds (Section 2i, Article VIII of O.C.) from \$1,854,695,000 to \$1,745,000,000.

**Maintenance Interstate Highways (section 4.02 of the bill)**

Would authorize ODOT to provide maintenance on interstate highways located within the bounds of municipal corporations, and to reimburse municipal corporations for their costs in providing such maintenance if ODOT has an agreement with such municipal corporation to provide the maintenance.

**Transfer of Fund 002 Appropriations (section 4.03 of the bill)**

Would allow the Director of Budget and Management to approve requests for the transfer of appropriations between various line items within the department.

**Transfer of Appropriations – Federal Highway and Federal Transit (section 4.03 of the bill)**

Would allow the Director of Budget and Management to approve requests for the transfer of appropriations between line items 772-422 and 775-452 within the department.

**Transfer of Appropriations – State Infrastructure Bank (section 4.03 of the bill)**

Would allow the Director of Budget and Management to approve requests for the transfer of appropriations between Infrastructure Bank line items and other line items within the department.

**Increase Appropriation Authority – state funds (section 4.03 of the bill)**

Would allow the Director of Transportation to request additional appropriation authority from the Controlling Board in the event that revenues exceed estimates.

**Reappropriations (section 4.03 of the bill)**

Would specify that appropriations of the Highway Operating Fund, the Highway Capital Improvement Fund, and the Infrastructure Bank funds that remain unencumbered at the end of FY 2001 and FY 2002 are automatically reappropriated for FY 2002 and FY 2003 respectively.

**Public Access Roads for State Facilities (section 4.04 of the bill)**

Earmarking language is included that would require the Department of Transportation to utilize \$3.146 million during each year of the biennium for the construction, reconstruction, or maintenance of public access roads to and within state facilities owned or operated by the Department of Natural Resources.

Additional earmarking language is included that would require the Department of Transportation to utilize \$2.228 million in each year of the biennium for the construction, reconstruction, or maintenance of park drives or park roads within metropolitan parks.

**Liquidation of Unforeseen Liabilities (section 4.04 of the bill)**

Would authorize any appropriation to the Highway Operating Fund to be used to liquidate unforeseen liabilities arising from contractual agreements of prior years.

**Congestion Mitigation (section 4.04 of the bill)**

Would specify the authorized uses for line item 774-446, and would authorize the fund to retain loan repayments and other earnings.

**Department of Taxation (section 4.05 of the bill)**

Would require that \$3.69 million by June 30, 2002 and \$3.89 million by June 30, 2003 be transferred from line item 779-491, Administration-State, to the GRF for the reimbursement of services provided by the Department of Taxation in administering the collection of the motor vehicle fuel tax (MVFT).

**Rental Payments - OBA (section 4.05 of the bill)**

Would specify the authorized uses for line item 770-003, and that the Director of Transportation shall hold title to any land purchased and structures attributable to this line item.

**Composite Bridge Decks (section 4.06 of the bill)**

Would authorize the governor to authorize a program to investigate the use of composite and other alternative material bridge decks.

**Public Transportation Highway Purpose Grants (section 4.07 of the bill)**

Would authorize the Director of Transportation to use motor vehicle fuel tax revenues to match federal grants for public transportation highway purposes, which are defined in the section.