

**To:** Senate Committee on Utilities  
**From:** Spencer Duncan, Government Affairs Director  
**Date:** February 5, 2025  
**RE:** SB 57 – Requiring Reimbursement for Utility Relocation  
*Opponent – Verbal Testimony*

Thank you to the Chair and Committee for the opportunity to provide this testimony.

SB 57 requires cities to reimburse owners or operators of communication and video services for costs to modify or relocate facilities for road projects. The intent of this bill may be to provide reimbursement for projects receiving federal or state dollars. However, as written, it goes beyond that scope and leaves cities having to pay all costs for any road project that requires relocation of communication and video services. For this reason, we ask you to vote NO on SB 57.

#### **FUNDING CONCERNS**

The bill may be targeted at reimbursement for projects receiving federal or state funding. However, as written, that distinction is not clear. As written, SB 57 would require cities to pay for relocation regardless of whether the project receives other funding. With that, the bill diminishes total funding available for a project, diverting funds intended for infrastructure improvements to a private benefit.

The bill does not clearly define who determines final costs, leaning toward allowing the operator or owner to make that determination. As reimbursement would come from local taxpayers, it seems prudent local government professionals should have input into determining final costs of relocation, not just the entity receiving reimbursement.

#### **OTHER ENTITIES**

While SB 57 is specific to owners and operators of communication and video service companies, the League is concerned about the precedent this sets for other utilities to pursue the same type of legislation, which would be financially unsustainable for cities.

#### **RIGHT-OF-WAY MANAGEMENT**

This is a local control issue. Right-of-way management is critical and unique to cities and the franchise agreements they have in place. Cooperation is essential between companies and cities when it comes to right-of-way policies. If a city bears responsibility for all costs associated with relocation, there is little incentive for companies to coordinate projects with municipalities. This could later require a city to relocate facilities, at taxpayer's expense, to ensure space exists for critical infrastructure. SB 57 would also require every city to revisit current franchise agreements, which are longstanding and have been worked on through many years of careful negotiations with these companies.

Thank you for your time and consideration of these issues. I am always available to provide additional information and answer any questions you have.



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