## SECOND REGULAR SESSION

## SENATE BILL NO. 649

## 97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LAGER.

Pre-filed December 23, 2013, and ordered printed.

5009S.02I

TERRY L. SPIELER, Secretary.

## AN ACT

To repeal sections 67.1830, 67.1836, 67.1838, and 67.1842, RSMo, and to enact in lieu thereof four new sections relating to right-of-way of political subdivisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 67.1830, 67.1836, 67.1838, and 67.1842, RSMo, are

- 2 repealed and four new sections enacted in lieu thereof, to be known as sections
- 3 67.1830, 67.1836, 67.1838, and 67.1842, to read as follows:

67.1830. As used in sections 67.1830 to 67.1846, the following terms shall

2 mean:

7

- 3 (1) "Abandoned equipment or facilities", any equipment materials,
- apparatuses, devices or facilities that are:
- 5 (a) Declared abandoned by the owner of such equipment or facilities;
- 6 (b) No longer in active use, physically disconnected from a portion of the
  - operating facility or any other facility that is in use or in service, and no longer
- 8 capable of being used for the same or similar purpose for which the equipment,
- 9 apparatuses or facilities were installed; or
- 10 (c) No longer in active use and the owner of such equipment or facilities
- 11 fails to respond within thirty days to a written notice sent by a political
- 12 subdivision;
- 13 (2) "Degradation", the actual or deemed reduction in the useful life of the
- 14 public right-of-way resulting from the cutting, excavation or restoration of the
- 15 public right-of-way;
- 16 (3) "Emergency", includes but is not limited to the following:
- 17 (a) An unexpected or unplanned outage, cut, rupture, leak or any other
- 18 failure of a public utility facility that prevents or significantly jeopardizes the

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

SB 649.

- 19 ability of a public utility to provide service to customers;
- 20 (b) An unexpected or unplanned outage, cut, rupture, leak or any other
- 21 failure of a public utility facility that results or could result in danger to the
- 22 public or a material delay or hindrance to the provision of service to the public
- 23 if the outage, cut, rupture, leak or any other such failure of public utility facilities
- 24 is not immediately repaired, controlled, stabilized or rectified; or
- 25 (c) Any occurrence involving a public utility facility that a reasonable
- 26 person could conclude under the circumstances that immediate and undelayed
- 27 action by the public utility is necessary and warranted;
- 28 (4) "Excavation", any act by which earth, asphalt, concrete, sand, gravel,
- 29 rock or any other material in or on the ground is cut into, dug, uncovered,
- 30 removed, or otherwise displaced, by means of any tools, equipment or explosives,
- 31 except that the following shall not be deemed excavation:
- 32 (a) Any de minimis displacement or movement of ground caused by
- 33 pedestrian or vehicular traffic;
- 34 (b) The replacement of utility poles and related equipment at the existing
- 35 general location that does not involve either a street or sidewalk cut; or
- 36 (c) Any other activity which does not disturb or displace surface conditions
- 37 of the earth, asphalt, concrete, sand, gravel, rock or any other material in or on
- 38 the ground;
- 39 (5) "Management costs" or "rights-of-way management costs", the actual
- 40 costs a political subdivision reasonably incurs in managing its public
- 41 rights-of-way, including such costs, if incurred, as those associated with the
- 42 following:
- 43 (a) Issuing, processing and verifying right-of-way permit applications;
- 44 (b) Inspecting job sites and restoration projects;
- 45 (c) Protecting or moving public utility right-of-way user construction
- 46 equipment after reasonable notification to the public utility right-of-way user
- 47 during public right-of-way work;
- 48 (d) Determining the adequacy of public right-of-way restoration;
- 49 (e) Restoring work inadequately performed after providing notice and the
- 50 opportunity to correct the work; and
- 51 (f) Revoking right-of-way permits.
- 52 Right-of-way management costs shall be the same for all entities doing similar
- 53 work. Management costs or rights-of-way management costs shall not include
- 54 payment by a public utility right-of-way user for the use or rent of the public

SB 649 3

right-of-way, degradation of the public right-of-way or any costs as outlined in paragraphs (a) to [(h)] (f) of this subdivision which are incurred by the political subdivision as a result of use by users other than public utilities, the attorneys' fees and cost of litigation relating to the interpretation of this section or section 67.1832, or litigation, interpretation or development of any ordinance enacted pursuant to this section or section 67.1832, or attorneys' fees and costs in connection with issuing, processing, or verifying right-of-way [permit] permits or other applications or agreements, or the political subdivision's fees and costs related to appeals taken pursuant to section 67.1838. In granting or renewing a franchise for a cable television system, a political subdivision may impose a franchise fee and other terms and conditions permitted by federal law;

- (6) "Managing the public right-of-way", the actions a political subdivision takes, through reasonable exercise of its police powers, to impose rights, duties and obligations on all users of the right-of-way, including the political subdivision, in a reasonable, competitively neutral and nondiscriminatory and uniform manner, reflecting the distinct engineering, construction, operation, maintenance and public work and safety requirements applicable to the various users of the public right-of-way, provided that such rights, duties and obligations shall not conflict with any federal law or regulation. In managing the public right-of-way, a political subdivision may:
- (a) Require construction performance bonds or insurance coverage or demonstration of self-insurance at the option of the political subdivision or if the public utility right-of-way user has twenty-five million dollars in net assets and does not have a history of permitting noncompliance within the political subdivision as defined by the political subdivision, then the public utility right-of-way user shall not be required to provide such bonds or insurance;
- (b) Establish coordination and timing requirements that do not impose a barrier to entry;
- (c) Require public utility right-of-way users to submit, for right-of-way projects commenced after August 28, 2001, requiring excavation within the public right-of-way, whether initiated by a political subdivision or any public utility right-of-way user, project data in the form maintained by the user and in a reasonable time after receipt of the request based on the amount of data requested;
  - (d) Establish right-of-way permitting requirements for street excavation;
  - (e) Establish removal requirements for abandoned equipment or facilities,

SB 649. 4

98

115

116

117

118

119120

121122

123124

125

126

91 if the existence of such facilities prevents or significantly impairs right-of-way 92 use, repair, excavation or construction;

- 93 (f) Establish permitting requirements for towers and other structures or 94 equipment for wireless communications facilities in the public right-of-way, 95 notwithstanding the provisions of section 67.1832;
- 96 (g) Establish standards for street restoration in order to lessen the impact 97 of degradation to the public right-of-way; and
  - (h) Impose permit conditions to protect public safety;
- 99 (7) "Political subdivision", a city, town, village, county of the first 100 classification or county of the second classification;
- 101 (8) "Public right-of-way", the area on, below or above a public roadway, 102 highway, street or alleyway in which the political subdivision has an ownership 103 interest, but not including:
- 104 (a) The airwaves above a public right-of-way with regard to cellular or 105 other nonwire telecommunications or broadcast service;
- 106 (b) Easements obtained by utilities or private easements in platted 107 subdivisions or tracts;
- 108 (c) Railroad rights-of-way and ground utilized or acquired for railroad 109 facilities; or
- 110 (d) Pipes, cables, conduits, wires, optical cables, or other means of 111 transmission, collection or exchange of communications, information, substances, 112 data, or electronic or electrical current or impulses utilized by a municipally 113 owned or operated utility pursuant to chapter 91 or pursuant to a charter form 114 of government;
  - (9) "Public utility", every cable television service provider, every pipeline corporation, gas corporation, electrical corporation, rural electric cooperative, telecommunications company, water corporation, heating or refrigerating corporation or sewer corporation under the jurisdiction of the public service commission; every municipally owned or operated utility pursuant to chapter 91 or pursuant to a charter form of government or cooperatively owned or operated utility pursuant to chapter 394; every street light maintenance district; every privately owned utility; and every other entity, regardless of its form of organization or governance, whether for profit or not, which in providing a public utility type of service for members of the general public, utilizes pipes, cables, conduits, wires, optical cables, or other means of transmission, collection or exchange of communications, information, substances, data, or electronic or

SB 649 5

6

7

8

9

1011

1213

14

15

16

17

19

28

electrical current or impulses, in the collection, exchange or dissemination of its product or services through the public rights-of-way;

- 129 (10) "Public utility right-of-way user", a public utility owning or 130 controlling a facility in the public right-of-way; and
- 131 (11) "Right-of-way permit", a permit issued by a political subdivision 132 authorizing the performance of excavation work in a public right-of-way.
  - 67.1836. 1. A political subdivision may deny an application for a 2 right-of-way permit if:
  - 3 (1) The public utility right-of-way user fails to provide all the necessary 4 information requested by the political subdivision for managing the public 5 right-of-way;
    - (2) The public utility right-of-way user has failed to return the public right-of-way to its previous condition under a previous permit;
    - (3) The political subdivision has provided the public utility right-of-way user with a reasonable, competitively neutral, and nondiscriminatory justification for requiring an alternative method for performing the work identified in the permit application or a reasonable alternative route that will result in neither additional installation expense up to ten percent to the public utility right-of-way user nor a declination of service quality;
    - (4) The political subdivision determines that [the] denial is necessary to protect the public health and safety, provided that the authority of the political subdivision does not extend to those items under the jurisdiction of the public service commission, such denial shall not interfere with a public utility's right of eminent domain of private property, and such denials shall only be imposed on a competitively neutral and nondiscriminatory basis; or
- 20 (5) The area is environmentally sensitive as defined by state statute or 21 federal law or is a historic district as defined by local ordinance.
- 22 2. A political subdivision may, after reasonable notice and an opportunity 23 to cure, revoke a right-of-way permit granted to a public utility right-of-way user, 24 with or without fee refund, and/or impose a penalty as established by the political 25 subdivision until the breach is cured, but only in the event of a substantial breach 26 of the terms and material conditions of the permit. A substantial breach by a 27 permittee includes but is not limited to:
  - (1) A material violation of a provision of the right-of-way permit;
- 29 (2) An evasion or attempt to evade any material provision of the 30 right-of-way permit, or the perpetration or attempt to perpetrate any fraud or

SB 649.

- 31 deceit upon the political subdivision or its citizens;
- 32 (3) A material misrepresentation of fact in the right-of-way permit 33 application;
- 34 (4) A failure to complete work by the date specified in the right-of-way 35 permit, unless a permit extension is obtained or unless the failure to complete the 36 work is due to reasons beyond the permittee's control; and
- 37 (5) A failure to correct, within the time specified by the political 38 subdivision, work that does not conform to applicable national safety codes, 39 industry construction standards, or local safety codes that are no more stringent 40 than national safety codes, upon inspection and notification by the political subdivision of the faulty condition.
- 42 3. Any political subdivision that requires public utility right-of-way users 43 to obtain a right-of-way permit, except in an emergency, prior to performing excavation work within a public right-of-way shall promptly, but not longer than 44 thirty-one days, process all completed permit applications. If a political 45 subdivision fails to act on an application for a right-of-way permit within 46 47 thirty-one days, the application shall be deemed approved. In order to avoid excessive processing and accounting costs to either the political subdivision or the 48 49 public utility right-of-way user, the political subdivision may establish procedures for bulk processing of permits and periodic payment of permit fees. 50
- 67.1838. A public utility right-of-way user that has been denied a right-of-way permit, has had its right-of-way permit revoked, believes that the fees imposed on the public right-of-way user by the political subdivision do not conform to the requirements of section 67.1840, believes the political subdivision has violated any provision of sections 67.1830 to 67.1848, or asserts any other issues related to the use of the public right-of-way, may bring an action for review in any court of competent jurisdiction in this state. The court shall rule on any such petition for review in an expedited manner by moving the petition to the head of the docket. Nothing shall deny the authority of its right to a hearing before the court.
  - 67.1842. 1. In managing the public right-of-way and in imposing fees pursuant to sections 67.1830 to 67.1846, no political subdivision shall:
    - (1) Unlawfully discriminate among public utility right-of-way users;
- 4 (2) Grant a preference to any public utility right-of-way user;

3

5 (3) Create or erect any unreasonable requirement for entry to the public 6 right-of-way by public utility right-of-way users;

7 SB 649

7

10

11

21

22

24 25

26 27

28 29

30

(4) Require a telecommunications company to obtain a franchise or require a public utility right-of-way user to pay for the use of the public right-of-way, except as provided in sections 67.1830 to 67.1846;

- (5) Enter into a contract or any other agreement for providing for an exclusive use, occupancy or access to any public right-of-way; or
- 12 (6) Require any public utility that has legally been granted access to the 13 political subdivision's right-of-way [prior to August 28, 2001], to enter into an agreement or obtain a permit for general access to or the right to remain in the 14 right-of-way of the political subdivision. 15
- 2. A public utility right-of-way user shall not be required to apply for or 16 17 obtain right-of-way permits for projects commenced prior to August 28, 2001, 18 requiring excavation within the public right-of-way, for which the user has 19 obtained the required consent of the political subdivision, or that are otherwise lawfully occupying or performing work within the public right-of-way. The public 20 utility right-of-way user may be required to obtain right-of-way permits prior to any excavation work performed within the public right-of-way after August 28, 23 2001.
  - 3. A political subdivision shall not collect a fee imposed pursuant to section 67.1840 through the provision of in-kind services by a public utility right-of-way user, nor require the provision of in-kind services as a condition of consent to use the political subdivision's public right-of-way; however, nothing in this subsection shall preclude requiring services of a cable television operator, open video system provider or other video programming provider as permitted by federal law.

