

Fiscal Note



Fiscal Services Division

<u>HF 2569</u> – Highway 30 (LSB1865HZ.2) Staff Contact: Garry Martin (515.281.4611) <u>garry.martin@legis.iowa.gov</u> Fiscal Note Version – As amended and passed by the House

Description

<u>House File 2569</u> requires the State Transportation Commission to prioritize the improvement of United States Highway 30. The Commission is required to include in its long-range program plans to expand all roadways to four-lane divided roadways until the entire highway is comprised of four-lane divided roadways. For the expansion of Highway 30, the Department of Transportation (DOT) is required to expend all reasonable alternatives before exercising eminent domain to acquire land that is a part of a century farm or residential real property.

Background

United States Highway 30 is a roadway that goes east to west across the continental United States, with approximately 331 miles running through Iowa.

The State Transportation Commission consists of seven members appointed by the Governor and confirmed by the Senate. The State Transportation Commission is responsible for developing, coordinating, and annually updating a comprehensive transportation policy and plan for the State, including preparing, adopting, and publishing a long-range program for the primary road system. The program is required to be prepared for a period of at least five years and is required to be revised, updated, and republished at least once every year to maintain a continuing five-year program. Currently, the State Transportation Commission's long-range plan does not include plans for Highway 30. The 2022 State Transportation Plan can be found here.

In most cases, the DOT allocates approximately 80.0% of federal highway funding to larger projects. However, federal funding is between 50.0% and 60.0% of annual funding available for construction projects. Iowa is allocated a fixed amount of federal highway formula funding each year, and funding for Highway 30 expansion will use the same resources.

Assumptions

- Two lanes will need to be added to approximately 120 miles, costing an estimated \$6.7 million per mile.
- Four-lane bypasses will need to be constructed for approximately 39.5 miles, costing an estimated \$10.0 million per mile.
- An estimated 16 interchanges will be needed, costing approximately \$16.1 million each.
- Construction costs are based on the current bid prices for the types of improvements listed above.
- Construction costs will be funded by a combination of federal funds and the Primary Road Fund (PRF). Federal funding for Highway 30 expansion may pay for up to 80.0% of the construction costs. However, this will depend on the timing of the project.
- Operations and maintenance will be funded primarily by the PRF and will cost approximately \$1.7 million annually.

Fiscal Impact

The expansion of Highway 30 is estimated to cost \$1.500 billion throughout the course of construction. Federal funding could cover up to 80.0% of the total cost, but this will depend on future budgeting decisions made by the State Transportation Commission. All State funding for construction will be provided by the PRF. Annual maintenance costs for the full 120 miles will be funded by the PRF and are estimated to be approximately \$1.7 million per year.

<u>Source</u>

Department of Transportation

/s/ Jennifer Acton

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The fiscal note for this Bill was prepared pursuant to <u>Joint Rule 17</u> and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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