

# Fiscal Note

**BILL #** HB 2712

**TITLE:** highway alignments; environmental impact statement

**SPONSOR:** Hoffman

**STATUS:** House Engrossed

**PREPARED BY:** Jordan Johnston

## Description

The bill would require the Arizona Department of Transportation (ADOT), if issuing a final Tier 1 Environmental Impact Statement (EIS) and record of decision for a new state highway in Pinal County, to include at least one alternative in the Tier 2 study that services the most populous areas with the greatest potential for economic development and represents stakeholder feedback.

## Estimated Impact

ADOT estimates the bill will increase the cost of issuing a Tier 2 environmental study of the North-South Corridor by at least \$3 million. We lack sufficient information to develop our own estimate.

## Analysis

Prior to construction on new state highway projects, ADOT is required to conduct various environmental and design impact studies. The first such significant study is known as a Tier 1 study. In 2010, the department began the process of a Tier 1 EIS to select a preferred alternative route for a 55-mile long corridor between US 60 on the north and Interstate 10 on the south, with a connection to State Route 24. This project has been named the North-South Corridor, which would run through Pinal County.

The bill would require ADOT, upon completion of the North-South Corridor Tier 1 EIS, to include at least one alternative in the ensuing Tier 2 study that both services the most populous areas with the greatest potential for economic development and represents stakeholder feedback. The bill would further require ADOT to reissue the Tier 1 EIS if after December 30, 2020 and before the effective date of this bill, the final Tier 1 EIS does not comply with the previously outlined requirements.

The cost of a Tier 1 EIS or a Tier 2 study, including the addition of an alternative add-on, is significantly related to the specifications of a given project. ADOT assumed the bill would not require them to reissue the Tier 1 EIS, which they anticipate completing in summer 2021. ADOT currently estimates the Tier 2 study on the North-South Corridor will cost approximately \$24 million to conduct. With the inclusion of the alternative route in the Tier 2 study as required under the bill, the department stated the cost would increase by \$3 million to a new total cost of \$27 million. The department has never completed a Tier 2 study before and expressed the costs are preliminary and subject to change.

## Local Government Impact

None

3/30/21

**JLBC**