

SENATE BILL 558

By Norris

AN ACT to amend Tennessee Code Annotated, Title 54, relative to the department of transportation and bridge replacement programs for local governments.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 54, Chapter 1, Part 1, is amended by adding a new section thereto, as follows:

Section 54-1-1___. Whenever the department contracts with a political subdivision of the state to undertake a bridge replacement project under the federal BRZ (Bridge Off System) program or any other similar federal program which includes a requirement that the political subdivision fund a matching percentage of the costs of the project, the liability of such political subdivision for costs of the project shall be capped. If there are cost overruns on the project due to delays by the department in letting the construction contract, increases in the costs of raw materials, increases in right-of-way acquisition costs or any other reason that is not the result of an action of the political subdivision, the state shall be liable for any and all increased costs that exceed one hundred twenty-five percent (125%) of the initial projected cost share of the political subdivision.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring it.