

## The More You Know About... Road Moves and Utility Relocation

The Infrastructure Act contains more than just broadband provisions. It is also about roads, bridges, water and other utilities.

Did you know that the Infrastructure Act provides funding specifically for utility relocation that also applies to broadband?

Utility relocation is when pipes, fiber and cable need to be retrenched or a communications pole needs to be moved as a result of a road move needed due to an Infrastructure Act funded transportation project.

**“If a State pays for the cost of *relocation of a utility facility* necessitated by the construction of a transportation project, Federal funds may be used to reimburse the State for the cost of relocation in the same proportion as Federal funds are expended on the transportation project.”**

– INFRASTRUCTURE ACT BEGINNING P. 112

Today, when a road move is required sometimes the state pays some amount of money towards it and sometimes they don't. Given how many transportation projects are anticipated as a result of the Infrastructure Act, Congress allocated money so that states can pay the provider for the cost to relocate the utility facility and then the state can get reimbursed from the federal government.

- ▶ A **“utility facility”** as defined by the Infrastructure Act and described above includes, “any privately, publicly, or cooperatively owned line, facility, or system for producing, transmitting, or *distributing communications*, power, electricity, light, heat, gas, oil, crude products, water, steam, waste, storm water not connected with highway, drainage, or any other similar commodity, including any fire or police signal system or street lighting system, that directly or indirectly serves the public.”
- ▶ The term **“cost of relocation”** includes the entire amount paid by a utility properly attributable to the relocation of a utility facility, minus any increase in the value of the new facility and any salvage value derived from the old facility.

What this means practically is that there is federal funding available to the states so that states don't have to eat into their allocation for broadband projects—it can be paid for out of the transportation bucket instead of the broadband bucket.

**States should make use of these funds from their transportation bucket so that the service providers deploying broadband projects aren't sinking capital into utility relocation that could otherwise be used to deploy broadband to consumers who desperately need it.**