

**FISCAL NOTE
PUBLIC COST**

- I. Department Title: Title 7 – Department of Transportation
Division Title: Division 10 – Missouri Highways and Transportation Commission
Chapter Title: Chapter 4 – Uniform Relocation Assistance**

Rule Number and Name:	7 Code of State Regulation (CSR) 10-4.020 – Uniform Relocation Assistance
Type of Rulemaking:	Amended

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Transportation	\$173,100.18 per year on average

III. WORKSHEET

The federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (**URARPA Act**), as amended by subsequent federal law, is found in Title 42, United States Code (**USC**), section 4601, *et. seq.* The URARPA Act establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate), including when the acquisition results in the displacement of persons from their homes, businesses, or farms. Federally funded programs include projects under Title 23 of the USC and Titles 23 and 49 of the Code of Federal Regulations (**CFR**), including construction, reconstruction, rehabilitation, and maintenance projects performed on Missouri highways and bridges on the state highway system (**SHS**).

In the May 3, 2024, Federal Register, Volume 89, No. 87, the U.S. Department of Transportation-Federal Highway Administration (**FHWA**) published a Notice of Final Rulemaking that amended FHWA regulations in order to implement the URARPA Act. These amended federal regulations are located in Title 49, CFR, Part 24, and became effective on June 3, 2024.

A June 3, 2024, FHWA Memorandum to state departments of transportation (**DOTs**) directed such departments on the implementation of the June 3, 2024, federal regulations. The Memorandum specifies that any Missouri Highways and Transportation Commission (**MHTC**) and Missouri Department of transportation (**MoDOT**) initiation of negotiations (**ION**) to acquire right of way needed for SHS projects, on and after June 3, 2024, that result in eligibility for relocation assistance benefits under the URARPA Act and the June 3, 2024, final regulations for property owners, tenants, and other displaced persons as a result of the proposed acquisition must entitle those displaced persons to the increased relocation assistance payment amounts authorized in the final regulation. On July 10, 2024, MoDOT staff discovered the increased relocation payment amounts authorized by the June 3, 2024, federal regulation. These updated, increased payment amounts are below:

Relocation Assistance Benefit Type	Federal Regulatory Citation	Prior Relocation Assistance Amount (Pre-6/3/24)	New Relocation Assistance Amount (Post-6/3/24)	Approximate Percentage Change Increase
Maximum Replacement Housing Payment	49 CFR 24.401 and 24.502	\$31,000	\$41,200	33%
Replacement Housing Benefits for Displaced Tenants	49 CFR 24.402 and 24.503	\$7,200	\$9,560	33%
Nonresidential Reestablishment	49 CFR 24.304	\$25,000	\$33,200	33%
Fixed Payment for Nonresidential Moves	49 CFR 24.305	\$40,000	\$53,200	33%
Site Search Sub-category for Moving Expenses	49 CFR 24.301	\$2,500	\$5,000	100%

MoDOT estimates the **average** relocation assistance payment to a displaced business / person under the proposed, amended permanent rulemaking will be approximately **33%** higher. While moving expense payments for relocation assistance increased 100%, these expenses are a very small part of the total relocation assistance payments MoDOT makes in any given year.

The total amount of all relocation assistance payments the Commission and MoDOT have made under the Uniform Relocation Assistance Program over the last five years are as follows:

Date Range	All Relocation Costs
9/4/24 - 9/4/23	226,022
9/3/24 - 9/4/22	338,210
9/3/22 - 9/4/21	420,464
9/3/21 - 9/4/20	1,417,661
9/3/20 - 9/4/19	220,373
Total	2,622,730

The **average, annual** relocation costs the Commission and MoDOT have paid over the last five years was **\$524,546** ($\$2,622,730 / 5 = \$524,546$).

The proposed, amended, permanent rulemaking proposes to implement only the June 3, 2024, increased relocation assistance payments made by the Commission and MoDOT. This will not affect any other public entity.

IV. ASSUMPTIONS

MoDOT assumes the Commission and Department will make relocation assistance payments under the Uniform Relocation Assistance Program as authorized under amended Title 7, CSR 10-4.020 in an amount equal to the average, annual relocation assistance payments made in the five previous years (see Section III., second chart above). This average, annual relocation cost was \$524,546.

MoDOT also assumes the average, annual relocation costs will increase **approximately 33%**, which is the approximate average increase in relocation assistance payments amounts authorized under the new, June 3, 2024, federal regulation (see Section III., first chart above).

As a result, the total, average, annual, increased relocation assistance costs that MoDOT shall incur under this amended rulemaking is **\$173,100.18**.