

Fiscal Estimate Narratives

DOT 10/23/01

LRR Number 01-3478/1	Introduction Number AB-533	Estimate Type Original
Subject		
Fees for outdoor advertising signs		

Assumptions Used in Arriving at Fiscal Estimate

This bill would prevent the Department from collecting a \$35 or \$50 annual fee for each qualifying sign from owners of outdoor advertising signs. The current fee schedule has been in effect since May 1, 2001, replacing a fee system that originated after Wisconsin's sign control legislation became effective in 1972. Abandoning the current annual fee schedule after one cycle of fee collections would severely impact the Department's ability to conform to federal requirements for effective control of outdoor advertising signs and would place the financial burden for controlling signs on motorists, rather than sign owners.

Department records show that 13,678 signs are subject to either the \$35 or the \$50 annual fee, representing \$497,600 in revenue. This revenue is an important element in the outdoor advertising program and allows the Department to maintain and improve a statewide database of signs and sign owners. The fee collection effort provides the Department with a method to educate sign owners about their signs and sign regulations. It also allows sign owners to keep the Department apprised of changes in sign ownership and sign features, which improves the accuracy of the Department's database.

Whether this revenue stream continues or dries up, the federal requirement to effectively control outdoor advertising remains. A basic element of that control is maintaining a database of signs. Aspects of each sign such as category, size, location, spacing from intersections and other signs, and ownership must be monitored and updated periodically by field checking signs along controlled routes and incorporating the information collected into the database.

The estimated time to accomplish these inventory and database tasks statewide is over 13,520 hours, which represents 6.5 full time positions. This figure is based on a combined field inventorying and office database updating average rate of approximately 2 signs per hour [14,000 signs in the state divided by 2 signs/hour]. These estimated figures include the substantial time needed to satisfy the federal requirement to eliminate illegal signs, which includes time spent in identifying and investigating illegal signs, and following the prescribed removal process. For purposes of this estimate, I will assume 6.5 full time positions would be needed to accomplish the required inventory and database tasks.

Long-Range Fiscal Implications

Unknown

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Fees for outdoor advertising signs			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$374,972	
(FTE Position Changes)		(6.5 FTE)	
State Operations - Other Costs		56,244	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$431,216	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (Transportation)		431,216	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$-497,600
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$-497,600
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$431,216	\$None
NET CHANGE IN REVENUE		\$-497,600	\$
Agency/Prepared By		Authorized Signature	Date
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