

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-0716/1	Introduction Number SB-219
Subject Billboard elimination grant program	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate	
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SFG <input type="checkbox"/> SEGS	
Affected Ch. 20 Appropriations	
Agency/Prepared By DOT/ Robert Fasick (608) 266-3438	Authorized Signature Carol Buckmaster (608) 267-6979
Date 08/03/2001	

Fiscal Estimate Narratives

DOT 08/06/2001

LRB Number 01-0716/1	Introduction Number SB-219	Estimate Type Original
Subject Billboard elimination grant program		

Assumptions Used in Arriving at Fiscal Estimate

This bill would not prohibit the Department from issuing permits for "signs". However, "billboards" visible from a regulated highway may not be erected after the bill's effective date. The Department is also directed to promulgate rules to collect an annual fee of no less than \$200 for "signs", to be deposited in a general fund, and to establish a billboard elimination grant program.

It is assumed that the annual fee is intended to be collected on both existing "signs" and "billboards". It is further assumed that the new \$200 annual fee is in addition to the existing annual fee of \$35 or \$50 needed to fund sign inventory improvements and other program costs. Therefore, the minimum new fee under this proposal would be \$235 or \$250.

Because making the distinction between a prohibited "billboard" and an allowed "sign" is not possible without a case-by-case evaluation, it was assumed for estimating purposes that any outdoor advertising of 8 square feet or less would be an allowed "sign" and anything larger would be a prohibited "billboard." Currently, there are 1,404 "signs" that are 8 square feet or less out of a total of 14,277 signs/billboards or around 10% of all outdoor advertising may properly be considered a "sign."

The bill's prohibition of new "billboards" would result in a revenue loss from fewer permit applications. Since signs larger than 8 square feet would constitute "billboards", the number of new permits issued would decrease from approximately 450 each year to around 45. This represents a \$70,875 decrease in segregated revenue [405 x \$175]. Offsetting this would be a savings in administrative costs from not having to permit approximately 405 new signs/billboards each year.

The Department does not currently charge annual permit fees for signs 8 square feet or less in size. Since the Department may specify which signs would be subject to the annual permit fee, it's likely that the current sign categories currently exempt from an annual fee would remain exempt. There are 14,277 regulated signs/billboards, 12,873 of which would be subject to the new \$200 annual permit fee, resulting in an increase of \$2,574,600 in revenue, which could be used to purchase "billboards".

The costs associated with developing and administering a billboard elimination grant program are unknown at this time, but are recognized to be potentially significant. In addition, the cost of managing responses to this increased annual sign fee is undetermined.

Long-Range Fiscal Implications

Unknown

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number 01-0716/1		Introduction Number SB-219	
Subject			
Billboard elimination grant program			
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		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
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		\$2,574,600	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			-70,875
TOTAL State Revenues		\$2,574,600	\$-70,875
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$2,503,725	\$
Agency/Prepared By		Authorized Signature	Date
DOT/ Robert Fasick (608) 266-3438		Carol Buckmaster (608) 267-6979	08/03/2001