

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4058-01
Bill No.: HB 1459
Subject: Advertising and Signs; Roads and Highways
Type: Original
Date: December 20, 2017

Bill Summary: This proposal modifies provisions relating to outdoor advertising.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from **Department of Transportation (MoDOT)** state the following regarding this proposal:

This proposal would cause MoDOT to not restrict outdoor advertising to only zoned and un-zoned commercial/industrial areas. The language allows for the potential of outdoor advertising in areas that are either zoned or un-zoned agricultural or residential areas.

§226.540

This section may increase the biennial inspection fees collected for new permits in un-zoned areas. There were 28 permits issued in un-zoned areas in 2016 at a fee of \$100 for a total of \$1,400.

§226.550

This section may decrease the biennial inspection fees for landowners that are also permit holders and advertisers. There were 125 such landowners in 2016 for a total of \$6,250.

Therefore, an increase of \$1,400 (increase in biennial inspection fees) offset by a loss of \$6,250 (decrease in biennial inspection fees) is a loss of \$4,850 annually. In summary, MoDOT assumes a loss of \$5,000 (rounded up) from the changes in this proposal.

Oversight assumes the \$5,000 loss in revenue to MoDOT to not be material, and will not reflect it in this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Certain small businesses would not have to pay a one-time permit fee and biennial inspection fee for outdoor advertising with this proposal.

FISCAL DESCRIPTION

This proposal exempts the current \$250 outdoor advertising fee and biennial inspection fee for certain highway signs under Section 226.550, RSMo when a sign is displayed by a landowner who also owns the business advertised on the sign and where the business has a physical location within 750 feet of the sign.

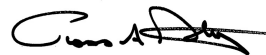
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation

Mickey Wilson, CPA

Director
December 20, 2017



Ross Strope
Assistant Director
December 20, 2017