

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0073-01  
Bill No.: HB 56  
Subject: Advertising and Signs; Department of Transportation; Roads and Highways  
Type: Original  
Date: January 10, 2017

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

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **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.

\$1,400 (increase in biennial inspection fees) - \$6,250 (decrease in biennial inspection fees) = (\$4,850).

**Oversight** assumes MODOT is provided with core funding to handle a certain amount of activity each year. Oversight assumes MODOT could absorb the costs related to this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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.

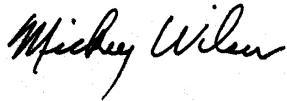
### FISCAL DESCRIPTION

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  
January 10, 2017

Ross Strobe  
Assistant Director  
January 10, 2017