

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1025H.011
Bill No.: HB 272
Subject: Roads and Highways; Business and Commerce; Department of Transportation
Type: Original
Date: February 25, 2025

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

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation (MoDOT)** assume this proposal would waive the permit fee and biennial fee for landowners, provided the landowner is the permit holder and owns both the land the sign is located on and the business advertised on the sign.

This proposal is estimated to have a negative fiscal impact to MoDOT of \$2,750 annually.

Language added under §226.540(4) may increase new permit fees and biennial inspection fees collected in un-zoned areas by \$3,500 annually. In 2024, there were 14 billboard permits issued in un-zoned areas along a primary route. MoDOT estimates that language under §226.540(4) would allow an additional 14 permits to be issued in un-zoned areas along a primary route on the opposite side of the travel way.

14 billboard permits x \$200 new permit fee = \$2,800

Biennial inspection fee of \$100 x 14 billboard permits issued / 2 = \$700

\$2,800 + \$700 = \$3,500 annually

Language added under §226.550.1, 2, and 4 may decrease the biennial inspection fees for landowners by \$6,250 annually.

There are 125 (estimated) landowners that are also the permit holder and advertiser x \$100 biennial inspection fee / 2 = \$6,250.

Cumulative impact is \$6,250 - \$3,500 = \$2,750

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. If multiple bills pass which require additional staffing and duties at substantial costs, MoDOT could request funding through the appropriation process.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<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.

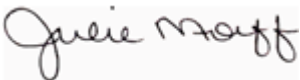
FISCAL DESCRIPTION

This bill waives the current \$200 outdoor advertising fee and biennial inspection fee for certain highway signs under Section 226.550, RSMo, for a sign displayed by a landowner who also is the permit holder and owns the business advertised on the sign if 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

Missouri Department of Transportation



Julie Morff
Director
February 25, 2025



Jessica Harris
Assistant Director
February 25, 2025