

Fiscal Estimate - 2003 Session

Original Updated Corrected Supplemental

LRB Number **03-2083/2** Introduction Number **SB-165**

Subject
Prohibits the erection of new off-premises outdoor advertising

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
 - Increase Existing Revenues
 - Decrease Existing Revenues
 - Increase Costs - May be possible to absorb within agency's budget
 - Yes
 - No
 - Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
 - 1. Increase Costs
 - 2. Decrease Costs
 - 3. Increase Revenue
 - 4. Decrease Revenue
 - 5. Types of Local Government Units Affected
 - Towns
 - Counties
 - School Districts
 - Village
 - Others
 - WTCS Districts
 - Cities

Fund Sources Affected **Affected Ch. 20 Appropriations**
 GPR FED PRO PRS SEG SEGS

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Fiscal Estimate Narratives

DOT 7/21/2003

LRB Number	03-2083/2	Introduction Number	SB-165	Estimate Type	Original
Subject					
Prohibits the erection of new off-premises outdoor advertising					

Assumptions Used in Arriving at Fiscal Estimate

This bill would prohibit the erection of new off-property signs in commercial areas, but would allow existing signs to remain and be maintained.

No new permits for off-property signs would be issued. The estimated three year average for the number of sign permits issued in this category is 157 permits each year. This represents a \$27,475 decrease in segregated revenue [157 x \$175]. Since no permit applications would be processed, there would be an offsetting reduction in costs to process applications. It is assumed that the cost savings roughly approximate the foregone fees for the new applications, or a reduction in costs of \$27,475.

Future annualized fiscal impacts would include a change from anticipated normal growth in fees related to net increases in the number of signs controlled. Under current law, the average 157 new off-property sign permits per year generates an additional \$5,495 [157 x \$35] in permit renewal fees annually in the years subsequent to initial permit issuance. It is assumed that there would be no significant reduction in the number of other signs subject to annual fees. The savings in administrative costs from not collecting an annual fee on these 157 signs is negligible. NOTE: Annual fees would still be collected on existing signs.

Currently, an outdoor advertising business license is required only when more than two signs are erected in a year. It is assumed that the administrative rule would be revised to apply the license requirement to any business erecting or maintaining signs to preserve the licensing requirement and avoid loss of annual license fees. As a result, license fee revenue would be expected to remain relatively constant.

Local units of government may receive fewer inquiries for information necessary to complete an application for sign permits. With no new off-property applications being processed, there would be no need for applicants to research and document the zoning status of land on which an off-property sign may be located. The fiscal impact for local units cannot be reasonably estimated, but is not expected to be substantial since the 157 annual applications are spread over many local units of government.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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 Updated
 Corrected
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Subject			
Prohibits the erection of new off-premises outdoor advertising			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
None			
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			-27,475
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	-\$27,475
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			-27,475
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			-27,475
TOTAL State Revenues		\$	-\$27,475
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$-27,475	\$
NET CHANGE IN REVENUE		\$-27,475	\$
Agency/Prepared By		Authorized Signature	Date
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