

Fiscal Estimate Narratives

DOT 7/28/2009

LRB Number	09-2596/1	Introduction Number	AB-0328	Estimate Type	Original
Description Specific information signs on certain portions of STH 21					

Assumptions Used in Arriving at Fiscal Estimate

The Department of Transportation may authorize the erection and maintenance of specific information signs (SIS) on designated highways under its jurisdiction. Specific information signs are the blue logo signs available to direct drivers to qualified businesses located near a highway and providing gas, food, lodging or camping. Specific information signs may only be installed on highways or portions of highways designated by statute. The specific information sign program is intended to be limited to areas primarily rural in character or to areas where adequate sign spacing can be maintained.

This bill amends State Statute 86.195(2)(ag)8, relating to specific information signs on certain portions of STH 21. The bill eliminates the authorization of specific information signs on STH 21 from I94 north of Tomah to I39/USH 51 in Waushara County. Because the specific information sign program requirements would no longer apply on this segment of STH 21, the tourist oriented directional sign (TODS) program guidelines would govern the corridor.

The tourist oriented directional sign program provides signs with directional information for qualifying tourist-related businesses, services or activities. Wisconsin is a tourist destination, with tourist-related businesses serving as the economic foundation for many Wisconsin communities. The tourist oriented directional sign program supports economic development in a number of ways: 1) directing tourists to small businesses off the main roadways that provide food, service, lodging and activities; 2) making it easy, safe and convenient for travelers to find their destinations; and 3) branding the look of the signs for a common understanding and visibility among travelers. To qualify for a special blue and white sign, the major source of income for a business must come from visitors who do not live in the immediate area. The business also must be located within five miles of a state or US highway, but cannot have direct access to a state or US highway. Businesses that qualify for tourist oriented directional signs fall into five general categories, including gasoline, food, lodging, camping and tourist attraction.

There currently is one SIS sign in the subject corridor - a sign on STH 21 in Necedah (at the intersection with STH 80) advertising a "Subway" restaurant. If the bill is enacted, the Department is prohibited from renewing that or any other annual permit, and must remove the sign by July 1, 2011. The restaurant would not be eligible for a TODS sign because it would be at an intersection of two state trunk highways - which is not allowed in the TODS program.

Impacts from the bill include the Subway restaurant losing the SIS sign at the intersection of STH 21 and STH 80, along with the cost to update all mapping to reflect the change from designated specific information signs to tourist oriented directional signs status on the portion of STH 21 from I94 north of Tomah to I39/USH 51 in Waushara County. Mapping costs are estimated at \$200.00 assuming five staff hours.

The other impact from the bill may be potential lost revenue from permit fees, assuming all intersections were signed to their full potential for the specific information sign program. It is estimated that eight intersections may be affected by the bill and the reduction in potential permit fees is estimated at \$7,680 per year (\$40 x 192). The estimate is based on a \$40 permit fee and the maximum number of potential SIS business panels that could be installed along the corridor (192). The maximum number of panels is based on the maximum number of structures installed at each intersection (4) multiplied by the maximum number of business panels per structure (6) multiplied by the number of intersections (8).

No administrative rule changes would be needed for implementation. Since it is assumed signing demands will be limited, it is not expected to have significant long-range fiscal implications.

Long-Range Fiscal Implications

There will be minimal impact on state revenues or liabilities. There is minimal policy significance given the length of the highway segment.