

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0440-02
Bill No.: SB 27
Subject: Roads and Highways; Transportation Department
Type: Original
Date: January 19, 2007

Bill Summary: This proposal modifies regulations regarding sexually oriented billboards.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE			

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Department of Transportation (MoDOT)** state this legislation will have a fiscal impact on MHTC by increasing the area for billboard control. The area of control by MoDOT would go beyond controlled routes to all state routes and would require the control of on-premise advertising in addition to off-premise advertising. It would increase the Outdoor Advertising workload in MoDOT's Right of Way division requiring an increase in personnel and equipment.

The increased workload in MoDOT's Outdoor Advertising unit, will require additional personnel. Two additional Outdoor Advertising Specialists would be needed at a salary of \$37,344, which are at MoDOT's salary grade 12, Step 1.

MoDOT explained the need for 2 Outdoor Advertising Specialists as:

1. This legislation is going to require MoDOT to regulate more miles of state roads and non-state roads than are already regulated. MoDOT currently only regulates the NHS system which doesn't include all state highways. This bill requires MoDOT to regulate all signs visible within a mile of a state highway so some of those signs could be located along a county or city road but happen to be visible from a state highway.
2. MoDOT is going to be required to regulate more signs. MoDOT currently only regulates off premise signs. This proposal will require MoDOT to regulate on premise signs.
3. MoDOT will have to enter some of the businesses to determine the 10% threshold. For personal safety reasons we cannot send one specialist to make this determination. MoDOT will need to send a pair of specialists to make this determination.
4. MoDOT is currently down 2 FTE's in the outdoor advertising program from when SB870 originally passed. Those positions will need to be filled in order to meet the additional regulation demands. One person was cut in the budget process the other position is unfilled.

Oversight assumes that there are between 45-60 sexually oriented businesses in the state that would need to be inspected. Oversight assumes that the inspection would be done once annually. Since one of the positions that MoDOT is asking for is currently unfilled but money is appropriated Oversight assumes the agency would fill the position and handle the increased number of inspections without additional funding.

ASSUMPTION (continued)

Officials at the **Office of Prosecution Services** assume this proposal would not have a significant direct fiscal impact on county prosecutors or the Office of Prosecution Services.

Officials at the **Department of Revenue, Department of Public Safety, Missouri Highway Patrol, Office of State Courts Administrator and Department of Economic Development** each assume there is no fiscal impact to their respective agencies from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small sexually oriented businesses would be fiscally impacted as a result of the limits to their advertising.

FISCAL DESCRIPTION

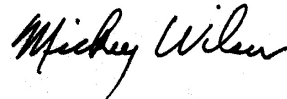
The proposed legislation appears to have no fiscal impact.

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

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SOURCES OF INFORMATION

Missouri Department of Transportation
Department of Revenue
Department of Public Safety
Missouri Highway Patrol
Department of Economic Development
Office of the State Courts Administrator

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
January 19, 2007