

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1174-01
Bill No.: SB 231
Subject: Roads and Highways; Transportation Department; Cities, Towns and Villages
Type: Original
Date: February 5, 2007

Bill Summary: This proposal modifies authority of local zoning authorities control over billboards and allows highway commission to void billboard permits under certain conditions.

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	0	0	0

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)** assume this bill authorizes the Missouri Highway and Transportation Commission (MHTC) to void outdoor advertising permits if: (1) there was a misrepresentation of a material fact by an applicant on an application; (2) MHTC determines a change was made to a conforming sign by its owner such that it is illegal; or (3) a substantial change has been made to a nonconforming sign by the owner such that the sign's nonconforming status has changed contrary to state administrative rules. The bill specifies that under the above referenced circumstances, the sign owners are not entitled to compensation by MHTC.

The bill also allows MHTC to void a permit which was erroneously issued by MoDOT staff in violation of any state law or administrative rule. Under those circumstances, the sign owner is entitled to compensation from MHTC under the terms of section 226.530. MoDOT believes that outdoor advertising applicants and MoDOT will comply with this law, therefore, there should be no fiscal impact.

Officials at the **City of Kansas City** assume the City would be liable for the value of billboards that a property owner removed. The value of the billboards would be appraised, and would depend on the age and condition of the billboard, the income produced by the billboard, the availability of alternative locations, the cost to relocate, and other factors. Thus, the cost to the City is impossible to calculate, but would cost thousands for each billboard removed.

Officials at the **St. Louis County** state the impact for their Department of Public Works, Code Enforcement Division would depend on possible "Just Compensation" claims or litigation. This bill also contains provisions concerning the regulation of advertising signs (billboards). Some of this legislation's proposed provisions could be interpreted to compel the County to pay "Just Compensation" when the County enforces provisions of its Zoning Ordinance. The St. Louis County Zoning Ordinance contains a provision (Section 1003.135, par. 2. (7)), which essentially states that advertising signs (billboards) be located on lots having a minimum of 12,000 sq. ft. and contain no other use. The added language to paragraph 4 of this legislation could be interpreted to require the County to pay "Just Compensation" when it enforces this provision of the County Zoning Ordinance.

Officials at the **Department of Revenue, Office of the State Courts Administrator** and the **Missouri Highway Patrol** each assume no fiscal impact to their respective departments from this proposal.

Officials at the **City of Centralia** assume no fiscal impact from this proposal.

No other Cities or Counties responded to **Oversight's** request for fiscal impact.

Oversight assumes that there is no fiscal impact to the state from this proposal.

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

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

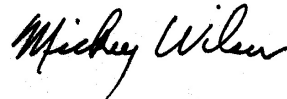
The proposed legislation appears to have no fiscal impact.

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
Office of the State Courts Administrator
Department of Revenue
City of Centralia
City of Kansas City
Missouri Highway Patrol
St. Louis County



Mickey Wilson, CPA
Director
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