

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1582-01
Bill No.: SB 355
Subject: Advertising and Signs; Higher Education; Roads and Highways; Department of Transportation
Type: Original
Date: February 22, 2017

Bill Summary: This proposal provides that two-year and four-year educational institutions shall be eligible for the same types of signs.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|-----------------------------------|------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| State Road Fund | \$0 | \$0 or Up to (\$1,377,000) | \$0 |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 or Up to (\$1,377,000) | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2018 | FY 2019 | FY 2020 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Transportation (MoDOT)** state this proposal will require MoDOT to switch from emblem to generator signing for potentially any of the 90 schools participating in the college emblem program. If the colleges were responsible to fund the change in sign design, it would be a zero cost to MoDOT. However, if MoDOT is required to cover the associated costs, it would place a significant fiscal impact on MoDOT. The cost to switch from emblem to generator signing for all schools would cost \$1,377,000 (\$15,300 per school x 90 potential schools).

Officials from the **Department of Higher Education** assume the proposal will have no fiscal impact on their organization.

Oversight will range the fiscal impact of this proposal from \$0 (schools required to pay costs) to a cost of up to \$1,377,000 (if MoDOT is required to cover costs) in FY 2019.

| <u>FISCAL IMPACT - State Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
|---|---------------------|--|------------|
| STATE ROAD FUND | | | |
| <u>Cost</u> - MoDOT - switch from emblem to generator signing | <u>\$0</u> | \$0 or Up to <u>(\$1,377,000)</u> | <u>\$0</u> |
| ESTIMATED NET EFFECT ON THE STATE ROAD FUND | <u>\$0</u> | \$0 or Up to <u>(\$1,377,000)</u> | <u>\$0</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2018 (10 Mo.) | FY 2019 | FY 2020 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act provides that 2-year colleges, community colleges, and professional or technical schools shall qualify for substantially the same road signs as traditional 4-year colleges, theological schools, and seminaries.

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

Department of Transportation
Department of Higher Education



Mickey Wilson, CPA
Director
February 22, 2017

Ross Strobe
Assistant Director
February 22, 2017