

SF485 - 0 - Moratorium on New Billboards Established

Chief Author: **John Marty**
 Committee: **Transportation**
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 Agency: **Transportation Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Trunk Highway	-	152	3	3	3	3
Total	-	152	3	3	3	3
Biennial Total			155			6

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Trunk Highway	-	.67	-	-	-
Total	-	.67	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 2/21/2025 3:16:49 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
Trunk Highway	-	152	3	3	3	3
Total	-	152	3	3	3	3
Biennial Total			155			6
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Trunk Highway	-	149	-	-	-	-
Total	-	149	-	-	-	-
Biennial Total			149			-
2 - Revenues, Transfers In*						
Trunk Highway	-	(3)	(3)	(3)	(3)	(3)
Total	-	(3)	(3)	(3)	(3)	(3)
Biennial Total			(6)			(6)

Bill Description

This bill establishes a statewide moratorium on new billboards and declares existing billboard nonconforming uses.

Assumptions

MnDOT has averaged 47 new billboard permits per year over the last ten years. These permits generate about \$3,300 in application fees each year. MnDOT assumes a reduction in revenue of this amount each year.

This bill would freeze yearly renewals at current numbers. MnDOT does not centrally track billboard renewals and assumes any revenue loss from lack of additional billboard renewals is expected to have an immaterial cost impact.

MNDOT assumes the agency would be required to update or rewrite the existing State/Federal agreement with the Federal Highway Administration (FHWA) to comply with federal regulations. MnDOT estimates about 1,400 staff hours at a managerial level would be needed to coordinate changes with FHWA and conduct public review. MnDOT estimates the process of rewriting the agreement with FHWA could cost approximately \$149,000.

Expenditure and/or Revenue Formula

MnDOT estimates that each year, approximately 47 new permits are issued for a cost of approximately \$70 each, totaling approximately \$3,290 (rounded to \$3,300) in revenue losses each year.

MnDOT assumes any revenue reductions due to a lack of new billboard annual renewals will have an immaterial cost impact.

One partial temporary FTE (0.67) for FHWA agreement rewrites: \$71.04 X 1.5 overhead X 1400 hours = \$149,184 (rounded to \$149,000)

Long-Term Fiscal Considerations

Revenue impacts will continue.

Local Fiscal Impact

None

References/Sources

MnDOT Office of Land Management

MnDOT Office of Financial Management

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