



PREPARED BY:
DATE PREPARED:
PHONE:

Mike Lovelace
March 03, 2011
471-0050

LB 244

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	(19,500,000)	(19,500,000)*	(19,500,000)	(19,500,000)*
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	(19,500,000)	(19,500,000)*	(19,500,000)	(19,500,000)*

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 244 adds an additional category of signs that would be allowed along a scenic byway. This new category would include “signs advertising businesses in any city or village when the city or village is located no more than five miles from the scenic byway on an access road off of the scenic byway and the access road is the only paved road into the city or village”.

The Department of Roads believes that this provision would put Nebraska out of compliance with federal laws regarding the control of outdoor advertising. The penalty for non-compliance is 10% of certain the federal highway construction funds received by the state, which in Nebraska’s case amounts to approximately \$23.5 million per year. A portion of the applicable federal funds are distributed to cities and counties so they would also share in the penalty. The estimated federal revenue loss for the Department of Roads is \$19.5 million and the city/county loss is estimated to be \$4 million. The Department indicates this loss of federal funding would cause a corresponding decrease in highway construction expenditures.

*The loss of federal reimbursement revenue will show up as a decrease in revenue to the Department of Roads Operations Cash Fund.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	David Spatz	2/10/11	PHONE 471-4179
COMMENTS			
DEPT. OF ROADS – No basis to dispute agency analysis and estimate of decreased cash fund expenditures and revenue fiscal impact.			

