

February 15, 2011

The Honorable Dwayne Umbarger, Chairperson  
Senate Committee on Transportation  
Statehouse, Room 441-E  
Topeka, Kansas 66612

Dear Senator Umbarger:

**SUBJECT:** Fiscal Note for SB 151 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 151 is respectfully submitted to your committee.

SB 151 would amend the Kansas Highway Advertising Control Act to allow outdoor advertising structures erected by local zoning authorities prior to June 30, 2006, to be grandfathered or otherwise considered legal conforming signs. Furthermore, the bill would grandfather locations where spot zoning occurred prior to June 30, 2006.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	(\$26,600,000)
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

The Kansas Department of Transportation indicates that the enactment of SB 151 would make state law less restrictive than the requirements found in federal law because it would grandfather in signs erected as a result of spot zoning. Spot zoning refers to state or local zoning actions that are not part of comprehensive zoning and are created primarily to permit the erection of outdoor advertising structures. Federal law does not recognize spot zoning for outdoor advertising control purposes.

The agency states that it would lose approximately \$26.6 million in federal funding for being in direct contradiction to federal law in FY 2012, FY 2013, FY 2014, and FY 2015. Programs that would receive a reduction in funds include the National Highway System Program, the Congestion Mitigation and Air Quality Program, the Surface Transportation Program, the Interstate Maintenance Program, and the Recreational Trails Program. The agency

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reports that no additional expenditures would be needed to implement SB 151, and it notes that a reduction in federal funding could jeopardize the agency's ability to finance construction projects. Any fiscal effect resulting from the enactment of SB 151 has not been included in *The FY 2012 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Ben Cleeves, Transportation