

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis

Original  Updated  Corrected

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2. Administrative Rule Chapter, Title and Number

Chapter Trans 202 relating to Wisconsin Scenic Byways Program

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3. Subject

Per 2011 Wisconsin Act 147, Trans 202 is amended to expand eligibility of local highways (county highways and local streets) for inclusion as possible scenic byways. Currently numbered state and federal highways and connecting highways are eligible for possible designation as a scenic byway.

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4. Fund Sources Affected

GPR  FED  PRO  PRS  SEG  SEG-S

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5. Chapter 20, Stats. Appropriations Affected

None

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6. Fiscal Effect of Implementing the Rule

No Fiscal Effect  Increase Existing Revenues  Increase Costs  
 Indeterminate  Decrease Existing Revenues  Could Absorb Within Agency's Budget  
 Decrease Cost

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7. The Rule Will Impact the Following (Check All That Apply)

State's Economy  Specific Businesses/Sectors  
 Local Government Units  Public Utility Rate Payers  
 Small Businesses (if checked, complete Attachment A)

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8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes  No

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9. Policy Problem Addressed by the Rule

2011 Wisconsin Act 147 now permits local roads and county trunk highways to be added to the scenic highways system.

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10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

City of LaCrosse; LaCrosse County; Outdoor Advertising Association of Wisconsin; Scenic Wisconsin; Town of Shelby; and Wisconsin County Highway Association.

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11. Identify the local governmental units that participated in the development of this EIA.

None.

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12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred).

This proposed rule neither requires nor prohibits any action on the part of any small business. This rule will not impose any direct or indirect costs on small businesses.

### Economic Impact

The anticipated economic impact of implementing the proposed rule changes is as follows:

- The scenic byways designation provides an additional attraction for tourists. Therefore, more scenic byway designations will have a positive impact on tourism.
- Scenic byway designation provides municipalities on a route a means of distinguishing themselves from other nearby municipalities (*e.g.*, come visit us; we are a scenic byway). Designation also creates additional avenues for promotion at the local level.
- In 2004, an economic impact study and marketing analysis was conducted of Wisconsin's first scenic byway known as the Great River Road. The route is on WIS 35 from Prescott to Kieler. The study showed that in 2003, recreational users along the Great River Road Scenic Byway generated an estimated \$337.5M in tourist expenditures. These expenditures supported an estimated 10,219 full-time equivalent jobs on the scenic byway. The full-time jobs

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generated an estimated additional \$145M in wages and proprietary income.

- No other studies or analyses have been done in Wisconsin regarding the economic impact of scenic byways.

A scenic byway designation provides an additional attraction for tourists. Small businesses located along a formally designated byway and that are involved in the provision of goods and services related to tourism or travel may experience an incremental increase in visitors and revenues due to increased visitation by tourists as a result of byway designation.

**Fiscal effect:** The Wisconsin Department of Transportation (Department) estimates that the fiscal impact will be to towns, villages, cities, counties or tribal governments for the purchase and installation of scenic byway logo signs on a local road or county trunk highway that is part of a formally designated scenic byway route. Scenic Byways logo signs are needed to identify the route and guide travelers along it.

2011 Wisconsin Act 147 creates Wis. Stat. § 84.106 (3), related to Marking Highways. Act 147 specifies that the Department shall be responsible for the installation and maintenance of logo signs along the state trunk highway system. Act 147 also specifies that the local government with maintenance authority over the road or highway shall be responsible for the installation and maintenance of logo signs these roads. The cost of buying the logo signs that identify the route as a scenic byway is included in the installation and maintenance costs that must be paid by the unit of government with jurisdiction over the highway.

The current cost of a logo sign, post, and installation is \$175. There is an average of 0.68 signs per mile on the three formally designated byways (excluding the Great River Road) in Wisconsin.

The minimum length for a Wisconsin scenic byway is 30 miles. Assuming the route is solely on county highways or local roads, approximately 20 signs would be needed for a total cost of \$3,500. It is important to note that the total cost would be shared by the local governments abutting the route. The actual cost per local government would depend upon the percentage of the mileage of the local roads that comprise the scenic byways route.

Local governments may be able to coordinate with local service clubs or commissions to help defray the purchase cost of the signs. However, they have the ultimate responsibility for the purchase, installation and on-going maintenance of these signs.

The Department estimates that there will be no other fiscal impact on the liabilities or revenues of any town, village, city, county or tribal government related to scenic byway designation.

**Anticipated costs incurred by private sector:** None.

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#### 13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

Scenic Byway designation provides another reason for people to visit an area. There are other designations, tours or trails that may provide tourists with an additional incentive to visit a place or region. Examples include "Tree City" and "Bird City" designations; various art tours, and trails based on specific subjects such as the Barn Quilt Trail and the Door County Wine Trail.

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#### 14. Long Range Implications of Implementing the Rule

The implication of implementing this rule is to expand the scope of the Wisconsin Scenic Byways Program by a factor of 10 since county highways and local streets are eligible for possible scenic byways designation.

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#### 15. Compare With Approaches Being Used by Federal Government

Under federal law, the national scenic byway program's vision is to create a distinctive collection of American roads, their stories and treasured places. FHWA Interim Policy (Volume 60, No. 96 Federal Register) set forth the criteria for the designation of roads as National Scenic Byways based on their scenic and other qualities, regardless of whether the highways are under state or local jurisdiction. Consistent with federal law, Wis. Stat. § 84.106, as amended by 2011 Wisconsin Act 147, now permits roads to be added to the scenic highways system, regardless of whether the roads are under state or local jurisdiction.

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#### 16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

While the National Scenic Byways Program administered by the Federal Highway Administration (FHWA) established the

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framework and criteria, States have discretion how they develop and implement their respective state programs. The focus of the comparison is on these questions:

- What are the types of highways that may be integrated into a scenic byway in Illinois, Iowa, Michigan and Minnesota?
- Who pays for the initial and replacement logo signs that identify the route as a scenic byway?

**Illinois** All public roads including local roads and county highways in Illinois are eligible for designation. Unless FHWA designates a scenic byway in Illinois, no new scenic highways may be created in the state. FHWA has not accepted applications for new byways since 2008, so no new byways have been added in Illinois since 2008. Any state or local highway designated as a scenic byway by the Federal government may be signed as a scenic byway in Illinois.

Illinois allows each officially designated byway to have its own unique Scenic Byways logo sign to identify the route as a scenic byway and guide travelers along it. The average cost of the logo sign is \$100. The byway groups pay for the fabrication of the initial and replacement signs. Illinois DOT installs signs on the state trunk highway system and the appropriate local government installs signs along local highways.

**Iowa** All public roads including local roads and county highways in Iowa are eligible for designation. Iowa allows each officially designated byway to have its own unique Scenic Byways logo sign to identify the route as a scenic byway and guide travelers along it. Iowa DOT is in the process of updating their graphics on the logo signs. The estimated average cost of the logo sign is \$125. Iowa DOT provides the updated logo signs and their installation. Iowa DOT will provide replacement signs and the local governments or the Iowa DOT district offices will install them.

**Michigan:** Numbered US and state trunk highways in Michigan are eligible for designation. Local roads and county highways are not eligible for designation as a state scenic byway.

Michigan has one standardized logo sign that all of its formally designated byways use. In December, 2014, the Michigan legislature passed a bill to change the name from “Heritage Route” to “Pure Michigan Byway” as part of a rebranding and reinvention of the program. The estimated cost per sign is \$16; they are made at a state prison. Michigan DOT will replace the old logo signs at the end of their life expectancy which is 15-20 years. Signs may be replaced earlier if the local byway committee secures funding for the logo signs from a local DOT transportation office or from another source of funding. Michigan DOT maintains the erected signs.

**Minnesota** All public roads including local roads and county highways in Minnesota are eligible for designation.

Minnesota allows each officially designated byway to have its own unique Scenic Byways logo signs to identify the route and guide travelers along it. The estimated average cost of the logo sign is \$82. The byway groups need to secure funding from public or private sources for the fabrication of the initial and replacement signs. The byway group must also make arrangements for the installation of the signs.

17. Contact Name Jane V. Carrola, WisDOT Scenic Byways Coordinator	18. Contact Phone Number 608.266.0649
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**ADMINISTRATIVE RULES**  
**Fiscal Estimate & Economic Impact Analysis**

**ATTACHMENT A**

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

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5. Describe the Rule's Enforcement Provisions

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes    No
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