

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: George, Schrader, Starr, Verger, Metsger

Nays: -

Exc.: -

Prepared By: Jim Stembridge, Administrator

Meeting Dates: 3/26, 4/16

WHAT THE MEASURE DOES: Directs Oregon Department of Transportation (ODOT) to provide incentives for the voluntary removal of outdoor advertising signs from scenic byways. Directs ODOT to provide relocation credits that allow owner of removed sign to construct two signs along non-scenic highways. Directs ODOT to establish standards limiting incentive program to particularly scenic areas of scenic byways. Allows for "aggregation" of small relocation credits to create one bigger credit. Increases maximum penalty for violation from \$100 per day to \$1000 per day.

ISSUES DISCUSSED:

- Consensus items of the Sign Task Force and still un-resolved issues
- Highway beautification efforts at the federal and state levels
- "Cap and replace" permit system in Oregon
- Oregon Supreme Court decision, 2007 legislation, and resulting "window" for placement of new billboards
- Relocation credits, numbers of "banked" credits, cases of sign relocation, expiration dates
- Possible redistribution of unused relocation credits
- Property rights associated with relocation credits, including the value and compensability of credits
- Electronic "LED" billboards
- Acquisitions of Oregon outdoor advertising companies based upon assumption of continuing regulatory system
- Relationships between land-owners and the owners of signs and relocation credits
- States that prohibit outdoor advertising altogether
- Criteria for legal sign installation

EFFECT OF COMMITTEE AMENDMENT: Changes combination relocation credit to include signs of up to 249 square feet. Adds definition for "relocation permit."

BACKGROUND: Outdoor advertising signs ("billboards") must have permits in order to be installed in locations visible from state highways. Oregon has a "cap and replace" sign permit system, with the number of permits capped at the 1977 level when the program went into existence. To get a permit to build a new sign, an owner must remove a permitted sign, trading the permits. "Banking" of permits is allowed; a banked permit is called a relocation credit. Currently, there are about 1700 permits for existing billboards, with another 700 "banked" relocation credits.

House Bill 2273 (2007) established a sign task force; SB 689-A arises from recommendation of the Task Force. According to the Sign Task Force Report, there are 216 outdoor advertising signs along Scenic Byways; about 25 of those are outside city limits. Of those, perhaps half (12 to 15) are in truly scenic areas, in existence prior to the particular highway's designation as a Scenic Byway, and therefore allowed to stay in the Scenic Byway due to "grandfathered" rights.

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This summary has not been adopted or officially endorsed by action of the committee.