

House Bill 4031

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Transportation and Economic Development)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits owner of outdoor advertising sign from removing sign from sign site without first permitting landowner to purchase sign under certain circumstances.

Allows sign owner to receive relocation credit for each sign sold to landowner under certain circumstances.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to outdoor advertising signs; creating new provisions; amending ORS 377.723 and 377.762;
3 and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2012 Act is added to and made a part of ORS 377.700 to**
6 **377.840.**

7 **SECTION 2. (1) Except as provided under ORS 377.759, 377.765, 377.773, 377.775, 377.777**
8 **and 377.780, the owner of an outdoor advertising sign may not remove the sign from a sign**
9 **site if when constructed, the sign complied with all applicable ordinances, plans, rules and**
10 **other requirements of the city or county where it is located but is now nonconforming under**
11 **the applicable ordinances, plans, rules and other requirements of the city or county and the**
12 **landowner provides the sign owner with written notice of the landowner's intent to purchase**
13 **the sign as provided in subsection (2) of this section.**

14 **(2)(a) The landowner of a sign site upon which an outdoor advertising sign is located has**
15 **the right to purchase the sign as provided in this subsection.**

16 **(b) If a lease is terminated by the sign owner prior to the expiration of the lease term,**
17 **the landowner has the right to purchase the sign from the sign owner prior to the sign's**
18 **removal from the sign site. The sign owner shall provide the landowner with written notice**
19 **of the sign owner's intent to remove the sign. If the landowner intends to purchase the sign,**
20 **the landowner shall, prior to the effective date of the termination of the lease, have 30 days**
21 **from the date of receipt of the written notice from the sign owner to provide the sign owner**
22 **with written notice of the landowner's intent to purchase the sign. The written notice pro-**
23 **vided by the sign owner must:**

24 **(A) Include the date on which the lease termination is effective, which may not be a date**
25 **less than 31 calendar days from the date the written notice is received by the landowner; and**

26 **(B) Include the date on which the sign owner intends to remove the sign.**

27 **(c) If a lease expires and terminates on the same date, the landowner has the right to**
28 **purchase the sign from the sign owner prior to the sign's removal from the sign site. If the**
29 **landowner intends to purchase the sign, the landowner shall provide to the sign owner, not**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 less than 30 days prior to the expiration of the lease, written notice of the landowner's intent
 2 to purchase the sign.

3 (d) If a lease continues after the expiration date and is later terminated by either the
 4 sign owner or the landowner, the landowner has the right to purchase the sign from the sign
 5 owner prior to the sign's removal from the sign site. If the lease is terminated by the sign
 6 owner, the sign owner shall provide the landowner with written notice of the sign owner's
 7 intent to remove the sign in accordance with subsection (2)(b) of this section. If the land-
 8 owner intends to purchase the sign, the landowner shall provide to the sign owner, not less
 9 than 30 days prior to the date of termination of the lease, written notice of the landowner's
 10 intent to purchase the sign.

11 (3) If a landowner provides a sign owner with written notice of the landowner's intent
 12 to purchase a sign under subsection (2) of this section, the landowner shall, within 60 days
 13 of providing the written notice of the intent to purchase, provide the sign owner with the
 14 following:

15 (a) An appraisal of the replacement cost of the sign;

16 (b) Payment of the amount specified in the appraisal; and

17 (c) Documents, executed by the landowner, necessary to transfer all right, title and in-
 18 terest in and to the sign to the landowner.

19 (4) Except as provided in subsection (5) of this section, within 15 days of receiving the
 20 appraisal, payment and documents from a landowner as described in subsection (3) of this
 21 section, a sign owner shall execute the documents to transfer all right, title and interest in
 22 and to the sign to the landowner and provide the original documents to the landowner.

23 (5)(a) If the sign owner disputes the replacement value assigned to the sign in the ap-
 24 appraisal provided by the landowner under subsection (3) of this section, the sign owner shall,
 25 within 15 days of receipt of the appraisal from the landowner, provide written notice to the
 26 landowner of the sign owner's dispute of the appraised replacement cost. Within 90 days of
 27 the date that the sign owner receives the appraisal from the landowner, the sign owner shall
 28 provide the landowner with an appraisal of the replacement cost of the sign.

29 (b) If the appraisal provided by the sign owner assigns a different replacement cost than
 30 that of the appraisal provided by the landowner, the purchase price of the sign shall be set
 31 at the amount of the appraisal provided by the sign owner.

32 (c) If any additional payment is owed to the sign owner, the landowner shall make the
 33 additional payment to the sign owner within 30 days of receipt of the appraisal from the sign
 34 owner. If the landowner does not provide the additional payment within 30 days, the sign
 35 owner may remove the sign from the sign site and the sign owner shall return all documents
 36 and payments provided by the landowner under subsection (3) of this section within seven
 37 days after the date the landowner's option to purchase the sign expires. If the landowner
 38 does provide the additional payment within 30 days, the sign owner shall, within 15 days of
 39 receipt of the additional payment, execute the documents to transfer all right, title and in-
 40 terest in and to the sign to the landowner and return the original documents to the land-
 41 owner.

42 (6) An appraisal under this section shall be performed by a person licensed or certified
 43 under ORS chapter 674.

44 (7) As used in this section, "sign" does not include a display, message or emblem designed
 45 to be affixed to the display surface.

1 **SECTION 3.** ORS 377.762 is amended to read:

2 377.762. The Department of Transportation shall issue a relocation credit upon the owner's re-
3 quest if:

4 (1) A sign is removed, the owner has lost the lease for that sign site and the sign and permit
5 meet the requirements of ORS 377.700 to 377.840[.]; **or**

6 **(2) A sign has been sold under section 2 of this 2012 Act, the owner has lost the lease for**
7 **that sign site, and the sign and permit meet the requirements of ORS 377.700 to 377.840.**

8 **SECTION 4.** ORS 377.723 is amended to read:

9 377.723. Notwithstanding any other provision of ORS 377.700 to 377.840, the Department of
10 Transportation [*shall*] **may** not issue a permit under ORS 377.725 or 377.767 unless the applicant for
11 the permit submits affidavits that meet the following requirements:

12 (1) The applicant must submit an affidavit from each city or county that would have jurisdiction
13 over the proposed sign.

14 (2) Each affidavit must contain a certification by the respective city or county that the proposed
15 sign:

16 **(a) Would comply with all applicable ordinances, plans, rules and other requirements of the city**
17 **or county[.]; or**

18 **(b) Is an existing sign that, when constructed, complied with all applicable ordinances,**
19 **plans, rules and other requirements of the city or county but is now nonconforming.**

20 (3) Each affidavit must be on a form prepared by the department.

21 **SECTION 5. (1) Section 2 of this 2012 Act and the amendments to ORS 377.723 and 377.762**
22 **by sections 3 and 4 of this 2012 Act apply to outdoor advertising signs in existence on or after**
23 **the effective date of this 2012 Act.**

24 **(2) Section 2 of this 2012 Act and the amendments to ORS 377.723 and 377.762 by sections**
25 **3 and 4 of this 2012 Act do not affect a lease made before the effective date of this 2012 Act.**
26 **However, section 2 of this 2012 Act and the amendments to ORS 377.723 and 377.762 by**
27 **sections 3 and 4 of this 2012 Act do apply to a renewal or extension of an existing lease on**
28 **or after the effective date of this 2012 Act as well as to a new lease made on or after the**
29 **effective date of this 2012 Act.**

30 **SECTION 6. This 2012 Act takes effect on the 91st day after the date on which the 2012**
31 **regular session of the Seventy-sixth Legislative Assembly adjourns sine die.**

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