

# D R A F T

## SUMMARY

Defines “just compensation” for purposes of laws related to outdoor advertising signs.

Directs Department of Transportation to design work on highways to protect outdoor advertising signs from being blocked, damaged, destroyed or lost as result of construction on highways.

Requires department to pay just compensation for outdoor advertising signs removed, blocked, damaged, destroyed or lost as result of construction on highway.

## A BILL FOR AN ACT

1  
2 Relating to outdoor advertising signs; amending ORS 377.707, 377.710, 377.765  
3 and 377.780.

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

5 **SECTION 1.** ORS 377.707 is amended to read:

6 377.707. (1) The Department of Transportation shall ensure that all con-  
7 struction and engineering plans for state highways identify the locations of  
8 **outdoor advertising signs**, motorist informational signs, tourist oriented  
9 directional signs and logo signs. The department shall:

10 (a) Adopt written plans for protecting the signs from damage during  
11 construction.

12 (b) **Design work on the highways to protect outdoor advertising**  
13 **signs from being blocked, damaged, destroyed or lost during con-**  
14 **struction.**

15 (2) If any sign specified in subsection (1) of this section is **blocked**,  
16 damaged, destroyed or lost as a result of work on a highway done by the  
17 department, the department shall repair or replace the sign.

1       **(3) If the department requires an owner of an outdoor advertising**  
2 **sign to remove the outdoor advertising sign as a result of work on a**  
3 **highway done by the department and the sign cannot be relocated in**  
4 **the same section of the highway, the department shall pay the owner**  
5 **of the outdoor advertising sign just compensation.**

6       **SECTION 2.** ORS 377.710 is amended to read:

7       377.710. As used in ORS 377.700 to 377.844 unless the context otherwise  
8 requires:

9       (1) “Back-to-back sign” means a sign with multiple display surfaces  
10 mounted on a single structure with display surfaces visible to traffic from  
11 opposite directions of travel.

12       (2) “Commercial or industrial zone” means an area, adjacent to a state  
13 highway, that is zoned for commercial or industrial use by or under state  
14 statute or local ordinance.

15       (3) “Council” means the Travel Information Council created by ORS  
16 377.835.

17       (4) “Cutout” means every type of display in the form of letters, figures,  
18 characters or other representations in cutout or irregular form attached to  
19 and superimposed upon a sign.

20       (5) “Department” means the Department of Transportation.

21       (6) “Digital billboard” means an outdoor advertising sign that is static  
22 and changes messages by any electronic process or remote control, provided  
23 that the change from one message to another message is no more frequent  
24 than once every eight seconds and the actual change process is accomplished  
25 in two seconds or less.

26       (7) “Director” means the Director of Transportation.

27       (8) “Display surface” means the area of a sign available for the purpose  
28 of displaying a message.

29       (9) “Double-faced sign” means a sign with multiple display surfaces with  
30 two or more separate and different messages visible to traffic from one di-  
31 rection of travel.

1 (10) "Erect" means to construct, build, assemble, place, affix, attach, cre-  
2 ate, paint, draw or in any way bring into being or establish.

3 (11) "Federal-aid primary system" or "primary highway" means the  
4 federal-aid primary system in existence on June 1, 1991, and any highway  
5 that is on the National Highway System.

6 (12) "Freeway" means a divided arterial highway with four or more lanes  
7 available for through traffic with full control of access and grade separation  
8 at intersections.

9 (13) "Governmental unit" means the federal government, the state, or a  
10 city, county or other political subdivision or an agency thereof.

11 (14) "Interstate highway" or "interstate system" means every state high-  
12 way that is a part of the National System of Interstate and Defense High-  
13 ways established pursuant to section 103(c), title 23, United States Code.

14 **(15) "Just compensation" means the real market value, as defined**  
15 **in ORS 308.205, of an outdoor advertising sign.**

16 [(15)] (16) "Logo" means a symbol or design used by a business as a means  
17 of identification of its products or services.

18 [(16)] (17) "Logo sign" means a sign located on highway right of way on  
19 which logos for gas, food, lodging and camping are mounted.

20 [(17)] (18) "Maintain" includes painting, changing messages on display  
21 surfaces, adding or removing a cutout or display surface of the same dimen-  
22 sions, replacing lights or the catwalk, making routine repairs necessary to  
23 keep the sign in a neat, clean, attractive and safe condition, and allowing  
24 the sign to exist.

25 [(18)] (19) "Main traveled way" means the through traffic lanes, exclusive  
26 of frontage roads, auxiliary lanes and ramps.

27 [(19)] (20) "Motorist informational sign" means a sign erected in a safety  
28 rest area, scenic overlook or sign plaza and maintained under the authority  
29 of ORS 377.700 to 377.844 to inform the traveling public about public ac-  
30 commodations, services for the traveling public and points of scenic, historic,  
31 cultural, scientific, outdoor recreational and educational interest.

1 [(20)] **(21)** “Nonconforming sign” means a sign that complied with ORS  
2 377.700 to 377.844 when erected, but no longer complies with ORS 377.700 to  
3 377.844 because of a later change in the law or in the conditions outside of  
4 the owner’s control. An unlawfully located or maintained sign is not a non-  
5 conforming sign.

6 [(21)] **(22)** “Outdoor advertising sign” means:

7 (a) A sign that is not at the location of a business or an activity open to  
8 the public, as defined by the department by rule; or

9 (b) A sign for which compensation or anything of value as defined by the  
10 department by rule is given or received for the display of the sign or for the  
11 right to place the sign on another’s property.

12 [(22)] **(23)** “Protected area” means an area located within 660 feet of the  
13 edge of the right of way of any portion of an interstate highway constructed  
14 upon any part of right of way, the entire width of which was acquired by the  
15 State of Oregon subsequent to July 1, 1956, and which portion or segment  
16 does not traverse:

17 (a) A commercial or industrial zone within the boundaries of a city, as  
18 such boundaries existed on September 21, 1959, wherein the use of real  
19 property adjacent to the interstate highway is subject to municipal regu-  
20 lation or control; or

21 (b) Other areas where land use, as of September 21, 1959, is established  
22 as industrial or commercial pursuant to state law.

23 [(23)] **(24)** “Reconstruct” means replacing a sign totally or partially de-  
24 stroyed, changing its overall height or performing any work, except mainte-  
25 nance work, that alters or changes a sign that lawfully exists under ORS  
26 377.700 to 377.844.

27 [(24)] **(25)** “Relocate” includes, but is not limited to removing a sign from  
28 one site and erecting a new sign upon another site as a substitute therefor.

29 [(25)] **(26)** “Relocation credit” means a credit for future relocation of a  
30 permitted outdoor advertising sign issued in lieu of a relocation permit under  
31 ORS 377.767.

1 [(26)] **(27)** “Relocation permit” means a permit to relocate a sign under  
2 ORS 377.767, whether issued in a lieu of a current sign permit or a relocation  
3 credit.

4 [(27)] **(28)** “Rest area” means an area established and maintained within  
5 or adjacent to a state highway right of way by or under public supervision  
6 or control for the convenience of the traveling public, and includes safety  
7 rest areas, scenic overlooks or similar roadside areas.

8 [(28)] **(29)** “Scenic byway” means a state highway or portion of a state  
9 highway designated as part of the scenic byway system by the Oregon  
10 Transportation Commission or Federal Highway Administration of the  
11 United States Department of Transportation.

12 [(29)] **(30)** “Secondary highway” means any state highway other than an  
13 interstate highway or primary highway.

14 [(30)(a)] **(31)(a)** “Sign” means any sign, display, message, emblem, device,  
15 figure, painting, drawing, placard, poster, billboard or other thing that is  
16 designed, used or intended for advertising purposes or to inform or attract  
17 the attention of the public.

18 (b) “Sign” includes the sign structure, display surface and all other com-  
19 ponent parts of a sign.

20 (c) When dimensions of a sign are specified, “sign” includes panels and  
21 frames and both sides of a sign of specified dimensions or area.

22 [(31)] **(32)** “Sign area” means the overall dimensions of all panels capable  
23 of displaying messages on a sign structure.

24 [(32)] **(33)** “Sign plaza” means a structure erected and maintained by or  
25 for the department or the Travel Information Council, adjacent to or in close  
26 proximity to a state highway, for the display of motorist information.

27 [(33)] **(34)** “Sign rules for protected areas” means rules adopted by the  
28 department applicable to signs displayed within protected areas.

29 [(34)] **(35)** “Sign structure” or “structure” means the supports, uprights,  
30 braces, poles, pylons, foundation elements, framework and display surfaces  
31 of a sign.

1 [(35)] (36) "State highway," "highway" or "state highway system" means  
2 the entire width between the boundary lines of the right of way of every  
3 state highway, as defined by ORS 366.005, and the interstate system and the  
4 federal-aid primary system.

5 [(36)] (37) "Tourist oriented directional sign" means a sign erected on  
6 state highway right of way to provide business identification and directional  
7 information for services and activities of interest to tourists.

8 [(37)] (38) "Traffic control sign or device" means an official route marker,  
9 guide sign, warning sign, or sign directing or regulating traffic, which has  
10 been erected by or under the order of the department.

11 [(38)] (39) "Travel plaza" means any staffed facility erected under the  
12 authority of the Travel Information Council to serve motorists by providing  
13 brochures, displays, signs and other visitor information and located in close  
14 proximity to a highway.

15 [(39)] (40) "Tri-vision sign" means a sign that contains display surfaces  
16 composed of a series of three-sided rotating slats arranged side by side, either  
17 horizontally or vertically, that are rotated by an electromechanical process  
18 and capable of displaying a total of three separate and distinct messages, one  
19 message at a time, provided that the rotation from one message to another  
20 message is no more frequent than every eight seconds and the actual rotation  
21 process is accomplished in four seconds or less.

22 [(40)] (41) "V-type sign" means two signs erected independently of each  
23 other with multiple display surfaces having single or multiple messages vis-  
24 ible to traffic from opposite directions, with an interior angle between the  
25 two signs of not more than 120 degrees and the signs separated by not more  
26 than 10 feet at the nearest point.

27 [(41)] (42) "Visible" means capable of being seen without visual aid by a  
28 person of normal visual acuity, whether or not legible from the main traveled  
29 way of any state highway.

30 **SECTION 3.** ORS 377.765 is amended to read:

31 377.765. (1) Outdoor advertising signs in existence on May 30, 2007, and

1 lawfully located within commercial or industrial zones in existence on May  
2 30, 2007, and outdoor advertising signs visible from a road or street that is  
3 designated as a state highway after May 30, 2007, and lawfully located within  
4 a commercial or industrial zone at the time the road or street is designated  
5 as a state highway, may remain. Subject to the provisions of ORS 377.700 to  
6 377.844, such signs may be maintained, reconstructed and relocated. However,  
7 such signs may not be relocated unless a relocation permit has been issued  
8 pursuant to ORS 377.767. A permit may not be issued to relocate an outdoor  
9 advertising sign that was not lawfully in existence on May 30, 2007, except  
10 that outdoor advertising signs that are visible from a road or street that is  
11 designated as a state highway after May 30, 2007, and that are lawfully lo-  
12 cated within a commercial or industrial zone at the time the road or street  
13 is designated as a state highway, may be relocated within the same section  
14 of highway. **If the department elects to remove an outdoor advertising**  
15 **sign under this subsection, and the sign was lawfully located within**  
16 **commercial or industrial zones in existence on May 30, 2007, the de-**  
17 **partment shall first pay just compensation to the owner of the sign**  
18 **before removing the sign.**

19 (2) All outdoor advertising signs that are lawfully located outside of a  
20 commercial or industrial zone and visible from an interstate highway or a  
21 primary highway shall be removed upon payment of just compensation as  
22 provided by ORS 377.780.

23 (3) Upon payment of just compensation, the Department of Transportation  
24 may remove any lawful outdoor advertising sign located in a scenic area  
25 designated pursuant to ORS 377.505 to 377.540.

26 (4) Outdoor advertising signs in existence on May 30, 2007, that are law-  
27 fully located outside of a commercial or industrial zone in existence on July  
28 1, 1971, and visible from a secondary highway and not within a scenic area  
29 existing on July 1, 1971, or thereafter designated a scenic area may be re-  
30 moved only upon payment of just compensation as provided in ORS 377.780.  
31 Upon payment of just compensation, the department may remove the outdoor

1 advertising sign. It may not be reconstructed or replaced if destroyed by  
2 natural causes and may not be relocated.

3 (5) If a secondary highway existing on July 2, 1971, is subsequently des-  
4 igned as an interstate or primary highway, upon payment of just compen-  
5 sation, the department may remove outdoor advertising signs not conforming  
6 to the provisions of ORS 377.700 to 377.844.

7 (6) If any other highway is designated as an interstate or primary high-  
8 way, upon payment of just compensation, the department may remove a  
9 nonconforming outdoor advertising sign lawful before such designation but  
10 nonconforming thereafter.

11 (7) Upon the construction or designation of a secondary highway, after  
12 July 2, 1971, an outdoor advertising sign lawfully in existence and not reg-  
13 ulated under ORS 377.700 to 377.844 prior to such construction or designation  
14 is subject to subsection (4) of this section.

15 **SECTION 4.** ORS 377.780 is amended to read:

16 377.780. (1) Where the Department of Transportation elects to remove and  
17 pay for a sign visible from [*secondary highways pursuant to*] **a highway**  
18 **under** ORS 377.765 [(4)], upon removal, the department shall pay just com-  
19 pensation.

20 (2) For the purposes of ORS 377.700 to 377.844, the department may ac-  
21 quire by purchase, agreement, donation or exercise of the power of eminent  
22 domain land or an interest in land or a sign. The department shall pay just  
23 compensation for:

24 (a) The taking from the owner of such lawfully located sign all right, ti-  
25 tle, leasehold and interest in such sign; and

26 (b) The taking from the owner of the real property on which the sign is  
27 located the right to place such sign thereon.

28 [(3) *When the department is required under ORS 377.700 to 377.844 to make*  
29 *payment therefor to remove a sign, the payment shall be for the value of the*  
30 *items specified by subsection (2) of this section, as determined by the depart-*  
31 *ment. In determining value, the department shall use the accepted appraisal*



1 *method customarily used in such cases or the method prescribed by federal*  
2 *regulations, if any, applicable to such appraisals or payments, whichever re-*  
3 *sults in the lowest valuation. However, in any case, the department shall so*  
4 *appraise such signs or rights taken by whatever method may be required to*  
5 *avoid imposition of a reduction in the amount of federal highway funds the*  
6 *state otherwise would be eligible to receive.]*

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