

SB 778 A STAFF MEASURE SUMMARY

Carrier: Sen. Beyer

Senate Committee On Business and Transportation

Action Date: 04/10/17
Action: Do pass with amendments. (Printed A-Eng.)
Vote: 4-1-0-0
Yeas: 4 - Beyer, Girod, Riley, Thomsen
Nays: 1 - Monroe
Fiscal: Fiscal impact issued
Revenue: No revenue impact
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WHAT THE MEASURE DOES:

Requires Department of Transportation to pay just compensation for outdoor advertising signs that are removed, blocked, damaged, destroyed or lost as a result of highway construction. Defines "just compensation" for purposes of measure. Directs Department to design work on highways so as to protect outdoor advertising signs from being blocked, damaged, destroyed or lost as a result of the construction. Applies to signs impacted by a project, lawfully erected, and in compliance with ORS 377.700 to 377.844.

ISSUES DISCUSSED:

- Proper valuation method for outdoor advertising signs
- Retaining existing signs is preferable to replacement
- Method for determining compensation
- Comparison for requirements for relocating displaced businesses

EFFECT OF AMENDMENT:

Clarifies provisions apply only to signs impacted by a project, lawfully erected, and in compliance with ORS 377.700 to 377.844.

BACKGROUND:

Oregon's Outdoor Advertising Sign Program is housed within the Right of Way section of the Oregon Department of Transportation's (ODOT) Highway Division. Through the program, ODOT is responsible for regulation of signs on private property that are visible from state highways. Regulation of outdoor advertising signs, often referred to as billboards, dates back to the federal Highway Beautification Act of 1965, which requires states to regulate signs along interstates and most state highways; failure to do so risks loss of up to 10 percent of federal highway funding. The Legislative Assembly revised Oregon's sign program in 2007 in response to an Oregon Supreme Court ruling that the program, as it existed at the time, violated free expression guarantees under the Oregon Constitution.

There are about 1,750 permits for outdoor advertising signs currently active. Signs located on a business or activity open to the public do not require a permit; nor do signs for which the owner of the property does not receive compensation. Statute provides an exemption for signs that do not exceed 12 square feet (or up to 32 feet with a variance) if they are erected temporarily for no more than 60 days. The permit fee ranges from \$200 for signs of 25 square feet or less to a maximum of \$1,000 for signs over 400 square feet.