

A-Engrossed
Senate Bill 778

Ordered by the Senate April 25
Including Senate Amendments dated April 25

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

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.

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 and 377.780.

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

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

5 377.707. (1) The Department of Transportation shall ensure that all construction and engineering
6 plans for state highways identify the locations of **outdoor advertising signs impacted by a**
7 **project**, motorist informational signs, tourist oriented directional signs and logo signs. The depart-
8 ment shall:

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

10 (b) **Design work on the highways to protect outdoor advertising signs from being blocked,**
11 **damaged, destroyed or lost during construction.**

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

15 (3) **If the department requires an owner of an outdoor advertising sign to remove the**
16 **outdoor advertising sign as a result of work on a highway done by the department and the**
17 **sign cannot be relocated in the same section of the highway, the department shall pay the**
18 **owner of the outdoor advertising sign just compensation, as long as the sign is in compliance**
19 **with the provisions of ORS 377.700 to 377.844.**

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

21 377.710. As used in ORS 377.700 to 377.844 unless the context otherwise requires:

22 (1) "Back-to-back sign" means a sign with multiple display surfaces mounted on a single struc-
23 ture with display surfaces visible to traffic from opposite directions of travel.

24 (2) "Commercial or industrial zone" means an area, adjacent to a state highway, that is zoned
25 for commercial or industrial use by or under state statute or local ordinance.

26 (3) "Council" means the Travel Information Council created by ORS 377.835.

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 (4) "Cutout" means every type of display in the form of letters, figures, characters or other re-
2 presentations in cutout or irregular form attached to and superimposed upon a sign.

3 (5) "Department" means the Department of Transportation.

4 (6) "Digital billboard" means an outdoor advertising sign that is static and changes messages
5 by any electronic process or remote control, provided that the change from one message to another
6 message is no more frequent than once every eight seconds and the actual change process is ac-
7 complished in two seconds or less.

8 (7) "Director" means the Director of Transportation.

9 (8) "Display surface" means the area of a sign available for the purpose of displaying a message.

10 (9) "Double-faced sign" means a sign with multiple display surfaces with two or more separate
11 and different messages visible to traffic from one direction of travel.

12 (10) "Erect" means to construct, build, assemble, place, affix, attach, create, paint, draw or in
13 any way bring into being or establish.

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

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

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

20 (14) "Interstate highway" or "interstate system" means every state highway that is a part of the
21 National System of Interstate and Defense Highways established pursuant to section 103(c), title 23,
22 United States Code.

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

25 [(15)] (16) "Logo" means a symbol or design used by a business as a means of identification of
26 its products or services.

27 [(16)] (17) "Logo sign" means a sign located on highway right of way on which logos for gas,
28 food, lodging and camping are mounted.

29 [(17)] (18) "Maintain" includes painting, changing messages on display surfaces, adding or re-
30 moving a cutout or display surface of the same dimensions, replacing lights or the catwalk, making
31 routine repairs necessary to keep the sign in a neat, clean, attractive and safe condition, and al-
32 lowing the sign to exist.

33 [(18)] (19) "Main traveled way" means the through traffic lanes, exclusive of frontage roads,
34 auxiliary lanes and ramps.

35 [(19)] (20) "Motorist informational sign" means a sign erected in a safety rest area, scenic
36 overlook or sign plaza and maintained under the authority of ORS 377.700 to 377.844 to inform the
37 traveling public about public accommodations, services for the traveling public and points of scenic,
38 historic, cultural, scientific, outdoor recreational and educational interest.

39 [(20)] (21) "Nonconforming sign" means a sign that complied with ORS 377.700 to 377.844 when
40 erected, but no longer complies with ORS 377.700 to 377.844 because of a later change in the law
41 or in the conditions outside of the owner's control. An unlawfully located or maintained sign is not
42 a nonconforming sign.

43 [(21)] (22) "Outdoor advertising sign" means:

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

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

3 [(22)] **(23)** "Protected area" means an area located within 660 feet of the edge of the right of
4 way of any portion of an interstate highway constructed upon any part of right of way, the entire
5 width of which was acquired by the State of Oregon subsequent to July 1, 1956, and which portion
6 or segment does not traverse:

7 (a) A commercial or industrial zone within the boundaries of a city, as such boundaries existed
8 on September 21, 1959, wherein the use of real property adjacent to the interstate highway is subject
9 to municipal regulation or control; or

10 (b) Other areas where land use, as of September 21, 1959, is established as industrial or com-
11 mercial pursuant to state law.

12 [(23)] **(24)** "Reconstruct" means replacing a sign totally or partially destroyed, changing its
13 overall height or performing any work, except maintenance work, that alters or changes a sign that
14 lawfully exists under ORS 377.700 to 377.844.

15 [(24)] **(25)** "Relocate" includes, but is not limited to removing a sign from one site and erecting
16 a new sign upon another site as a substitute therefor.

17 [(25)] **(26)** "Relocation credit" means a credit for future relocation of a permitted outdoor ad-
18 vertising sign issued in lieu of a relocation permit under ORS 377.767.

19 [(26)] **(27)** "Relocation permit" means a permit to relocate a sign under ORS 377.767, whether
20 issued in a lieu of a current sign permit or a relocation credit.

21 [(27)] **(28)** "Rest area" means an area established and maintained within or adjacent to a state
22 highway right of way by or under public supervision or control for the convenience of the traveling
23 public, and includes safety rest areas, scenic overlooks or similar roadside areas.

24 [(28)] **(29)** "Scenic byway" means a state highway or portion of a state highway designated as
25 part of the scenic byway system by the Oregon Transportation Commission or Federal Highway
26 Administration of the United States Department of Transportation.

27 [(29)] **(30)** "Secondary highway" means any state highway other than an interstate highway or
28 primary highway.

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

32 (b) "Sign" includes the sign structure, display surface and all other component parts of a sign.

33 (c) When dimensions of a sign are specified, "sign" includes panels and frames and both sides
34 of a sign of specified dimensions or area.

35 [(31)] **(32)** "Sign area" means the overall dimensions of all panels capable of displaying messages
36 on a sign structure.

37 [(32)] **(33)** "Sign plaza" means a structure erected and maintained by or for the department or
38 the Travel Information Council, adjacent to or in close proximity to a state highway, for the display
39 of motorist information.

40 [(33)] **(34)** "Sign rules for protected areas" means rules adopted by the department applicable to
41 signs displayed within protected areas.

42 [(34)] **(35)** "Sign structure" or "structure" means the supports, uprights, braces, poles, pylons,
43 foundation elements, framework and display surfaces of a sign.

44 [(35)] **(36)** "State highway," "highway" or "state highway system" means the entire width be-
45 tween the boundary lines of the right of way of every state highway, as defined by ORS 366.005, and

1 the interstate system and the federal-aid primary system.

2 [(36)] (37) "Tourist oriented directional sign" means a sign erected on state highway right of
3 way to provide business identification and directional information for services and activities of in-
4 terest to tourists.

5 [(37)] (38) "Traffic control sign or device" means an official route marker, guide sign, warning
6 sign, or sign directing or regulating traffic, which has been erected by or under the order of the
7 department.

8 [(38)] (39) "Travel plaza" means any staffed facility erected under the authority of the Travel
9 Information Council to serve motorists by providing brochures, displays, signs and other visitor in-
10 formation and located in close proximity to a highway.

11 [(39)] (40) "Tri-vision sign" means a sign that contains display surfaces composed of a series of
12 three-sided rotating slats arranged side by side, either horizontally or vertically, that are rotated
13 by an electromechanical process and capable of displaying a total of three separate and distinct
14 messages, one message at a time, provided that the rotation from one message to another message
15 is no more frequent than every eight seconds and the actual rotation process is accomplished in four
16 seconds or less.

17 [(40)] (41) "V-type sign" means two signs erected independently of each other with multiple
18 display surfaces having single or multiple messages visible to traffic from opposite directions, with
19 an interior angle between the two signs of not more than 120 degrees and the signs separated by
20 not more than 10 feet at the nearest point.

21 [(41)] (42) "Visible" means capable of being seen without visual aid by a person of normal visual
22 acuity, whether or not legible from the main traveled way of any state highway.

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

24 377.765. (1) Outdoor advertising signs in existence on May 30, 2007, and lawfully located within
25 commercial or industrial zones in existence on May 30, 2007, and outdoor advertising signs visible
26 from a road or street that is designated as a state highway after May 30, 2007, and lawfully located
27 within a commercial or industrial zone at the time the road or street is designated as a state high-
28 way, may remain. Subject to the provisions of ORS 377.700 to 377.844, such signs may be maintained,
29 reconstructed and relocated. However, such signs may not be relocated unless a relocation permit
30 has been issued pursuant to ORS 377.767. A permit may not be issued to relocate an outdoor ad-
31 vertising sign that was not lawfully in existence on May 30, 2007, except that outdoor advertising
32 signs that are visible from a road or street that is designated as a state highway after May 30, 2007,
33 and that are lawfully located within a commercial or industrial zone at the time the road or street
34 is designated as a state highway, may be relocated within the same section of highway. **If the de-**
35 **partment elects to remove an outdoor advertising sign under this subsection, the department**
36 **shall first pay just compensation to the owner of the sign before removing the sign, as long**
37 **as the sign is in compliance with the provisions of ORS 377.700 to 377.844.**

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

41 (3) Upon payment of just compensation, the Department of Transportation may remove any
42 lawful outdoor advertising sign located in a scenic area designated pursuant to ORS 377.505 to
43 377.540.

44 (4) Outdoor advertising signs in existence on May 30, 2007, that are lawfully located outside of
45 a commercial or industrial zone in existence on July 1, 1971, and visible from a secondary highway

1 and not within a scenic area existing on July 1, 1971, or thereafter designated a scenic area may
2 be removed only upon payment of just compensation as provided in ORS 377.780. Upon payment of
3 just compensation, the department may remove the outdoor advertising sign. It may not be recon-
4 structed or replaced if destroyed by natural causes and may not be relocated.

5 (5) If a secondary highway existing on July 2, 1971, is subsequently designated as an interstate
6 or primary highway, upon payment of just compensation, the department may remove outdoor ad-
7 vertising signs not conforming to the provisions of ORS 377.700 to 377.844.

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

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

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

15 377.780. (1) Where the Department of Transportation elects to remove and pay for a sign visible
16 from [*secondary highways pursuant to*] **a highway under** ORS 377.765 [(4)], upon removal, the de-
17 partment shall pay just compensation.

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

21 (a) The taking from the owner of such lawfully located sign all right, title, leasehold and interest
22 in such sign; and

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

25 [*(3) When the department is required under ORS 377.700 to 377.844 to make payment therefor to*
26 *remove a sign, the payment shall be for the value of the items specified by subsection (2) of this section,*
27 *as determined by the department. In determining value, the department shall use the accepted appraisal*
28 *method customarily used in such cases or the method prescribed by federal regulations, if any, appli-*
29 *cable to such appraisals or payments, whichever results in the lowest valuation. However, in any case,*
30 *the department shall so appraise such signs or rights taken by whatever method may be required to*
31 *avoid imposition of a reduction in the amount of federal highway funds the state otherwise would be*
32 *eligible to receive.*]

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