

# Oregon Outdoor Advertising Association

## HB 4060, Sections 35-38 – Support

1. The Industry's goal is to keep signs at their existing site(s) or within their localized market area. Over the past three years we have had several discussions with ODOT staff about just compensation and the need for revising current regulations.
2. Sections 35-38 of HB 4060 would require that ODOT **design** highway construction projects to minimize the need to remove or modify outdoor advertising signs. Our goal is to reduce the potential that signs will be impacted, thus reducing the need for ODOT to pay compensation costs. We are looking for design solutions relating to right of way boundaries and/or modifications to sign placement that will resolve issues of costs for sign owners and the highway project. If there is no solution, then just compensation would be required.
3. ODOT knowingly applies the incorrect definition of "Advertising Signs" (CFR49) to outdoor advertising signs (Subpart DCFR 750.301). Because the Department views outdoor advertising signs as **personal property**, this practice results in payment of only relocation costs rather than payment of just compensation; and is potentially in violation of Federal Highway Beautification Act (23US.C.131). On the other hand, outdoor advertising signs are defined as **real property** by the Oregon Department of Revenue, and taxed as such.
4. The HB 4060 "Just Compensation" definition; that is tied to the current definition of "real market value" as contained in ORS 308.205 **eliminates** the personal / real property issue.
5. A U.S. Supreme Court decision (Horne vs Dept. of Agriculture) determined that the 5<sup>th</sup> Amendment requires government to pay just compensation when it takes property, whether it is personal property or real property. Without clarification in statute, sign companies would likely take the issue to court where it could delay and/or increase the costs for the project. With the Horne decision, the company would almost certainly win and receive just compensation, plus attorney's fees.
6. California, Washington and Idaho all have billboard compensation laws on the books. All three promote relocation over condemnation. If relocation is simply not possible, they all require cash compensation at market value.