

# Senate Bill 417

Sponsored by Senator WOODS (Presession filed.)

## 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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes changes to billboard laws. (Flesch Readability Score: 90.9).

Modifies provisions related to relocating or reconstructing outdoor advertising signs. Specifies acceptable documentation to prove landowner consent when applying for an outdoor advertising sign permit.

## A BILL FOR AN ACT

1  
2 Relating to outdoor advertising signs; amending ORS 377.713, 377.725 and 377.831.

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

4 **SECTION 1.** ORS 377.831 is amended to read:

5 377.831. *[(1) As used in this section:]*

6 *[(a) "Bulletin" means an outdoor advertising sign with a display surface that is 14 feet by 48*  
7 *feet.]*

8 *[(b) "Poster" means an outdoor advertising sign with a display surface that is 12 feet by 25 feet.]*

9 *[(2) If an outdoor advertising sign being relocated is relocated as a digital billboard or if an out-*  
10 *door advertising sign being reconstructed is reconstructed as a digital billboard, an applicant for a*  
11 *permit under ORS 377.725 must exchange the following in order to receive one permit for a digital*  
12 *billboard:]*

13 *[(a) An applicant with 10 percent or less of the total number of relocation credits in existence on*  
14 *the date the Department of Transportation receives the application for a digital billboard permit shall*  
15 *either remove one existing outdoor advertising sign and retire the permit for that sign or retire one*  
16 *relocation credit. The permit or relocation credit retired must be for signs with a display surface of at*  
17 *least 250 square feet.]*

18 *[(b) An applicant with more than 10 percent of the total number of relocation credits in existence*  
19 *on the date the department receives an application for a digital billboard permit shall:]*

20 *[(A) For a digital billboard that is a bulletin:]*

21 *[(i) Remove two existing bulletins, retire the permits for those bulletins and retire three relocation*  
22 *credits;]*

23 *[(ii) Remove one existing bulletin and two existing posters, retire the permits for the bulletin and*  
24 *posters and retire three relocation credits; or]*

25 *[(iii) Remove four existing posters, retire the permits for those posters and retire three relocation*  
26 *credits.]*

27 *[(B) For a digital billboard that is a poster:]*

28 *[(i) Remove two existing posters, retire the permits for those posters and retire three relocation*  
29 *credits; or]*

30 *[(ii) Remove one existing bulletin, retire the permit for the bulletin and retire three relocation*

**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 *credits.]*

2 *[(3) The relocation credits retired under subsection (2)(b) of this section must be for signs with a*  
3 *display surface of at least 250 square feet.]*

4 **(1) If an outdoor advertising sign being relocated is relocated as a digital billboard or if**  
5 **an outdoor advertising sign being reconstructed is reconstructed as a digital billboard, an**  
6 **applicant for a digital billboard permit under ORS 377.725 shall either remove one existing**  
7 **outdoor advertising sign and retire the permit for that sign or retire one relocation credit.**  
8 **The permit or relocation credit retired must be for signs with a display surface of at least**  
9 **250 square feet.**

10 *[(4)]* **(2)** Notwithstanding ORS 377.759 and 377.762, an owner that removes an outdoor advertis-  
11 ing sign under this section is not entitled to a relocation credit.

12 *[(5) When calculating the number of relocation credits an owner possesses, the department shall*  
13 *consider the total number of relocation credits owned by any corporate entity held in common owner-*  
14 *ship with the owner in order to determine how many outdoor advertising signs the owner must remove*  
15 *and how many relocation credits the owner must retire to receive a permit to erect a digital*  
16 *billboard.]*

17 *[(6)]* **(3)** The department shall cancel the relocation credits and permits *[submitted]* **retired** under  
18 this section upon issuance of a permit to erect a digital billboard.

19 *[(7)]* **(4)** Two permits for a digital billboard are required to erect a back-to-back or V-type digital  
20 billboard.

21 *[(8)]* **(5)** The first time an owner uses a permit to erect a digital billboard, the permit is not re-  
22 stricted by the provisions of ORS 377.767 (4).

23 *[(9)]* **(6)** The department shall issue one digital billboard relocation credit for each digital  
24 billboard that is removed. A digital billboard relocation credit may be used only to erect a digital  
25 billboard and may not be used to erect any other type of outdoor advertising sign.

26 *[(10)]* **(7)** Except as provided in subsection *[(8)]* **(5)** of this section, an outdoor advertising sign  
27 that is being relocated as a digital billboard must meet all requirements of ORS 377.767.

28 **SECTION 2.** ORS 377.725 is amended to read:

29 377.725. (1) A person may not erect, control, relocate or reconstruct an outdoor advertising sign  
30 unless the Department of Transportation has issued a permit for the erection, control, relocation  
31 or reconstruction of the sign.

32 (2) A person who applies for a permit to the Director of Transportation shall complete forms  
33 furnished by the director. The permit application shall include a precise description of the outdoor  
34 advertising sign and such other information as the director considers necessary or desirable to de-  
35 termine compliance with ORS 377.700 to 377.844, **except that any requirement for landowner**  
36 **consent for the property on which the sign is or will be located is satisfied:**

37 **(a) By any lease, easement or other document, which evidences consent and is signed by**  
38 **the current landowner or their authorized agent; or**

39 **(b) By any lease, easement or other document, which evidences consent and is signed by**  
40 **any prior landowner or their authorized agent, if the lease, easement or other document is**  
41 **binding on successors or assigns.**

42 **(3)** The director shall issue a permit for an outdoor advertising sign that complies with ORS  
43 377.700 to 377.844. A valid permit may be transferred to another person upon written notice to the  
44 director.

45 *[(3)]* **(4)** A permit may not be issued for an outdoor advertising sign located adjacent to an

1 interstate highway or freeway unless the director determines that access to the outdoor advertising  
 2 sign from the interstate highway or freeway can be obtained without violating the access control  
 3 line of the interstate highway or freeway.

4 [(4)] (5) If an application for a permit to relocate or reconstruct an outdoor advertising sign is  
 5 for a location identified in the current Statewide Transportation Improvement Program, the depart-  
 6 ment shall require the applicant to execute an affidavit acknowledging the project and forgoing any  
 7 claim for compensation under ORS 377.713.

8 [(5)] (6) A permit shall be renewed annually on the first day of January. Application for renewal  
 9 of a permit shall be filed prior to expiration of the term of the permit. If application for renewal of  
 10 a permit is filed within 30 days after the expiration of the term, the permit shall be granted if any  
 11 additional fee specified by the department in rules adopted under ORS 377.729 is paid at the time  
 12 the application is filed. Any permit not renewed in accordance with this section shall be canceled.

13 [(6)] (7) Permit fees for purposes of this section are as established by the department by rule  
 14 under ORS 377.729.

15 [(7)] (8) A permit shall be issued for one year. The applicable fee shall accompany the permit  
 16 application. A fee may not be prorated for a fraction of a year or be refunded if the outdoor ad-  
 17 vertising sign is removed.

18 [(8)] (9) The display surface of an outdoor advertising sign may be changed or cutouts may be  
 19 attached or removed within the sign area without obtaining a permit. However, a permit shall be  
 20 obtained if the outdoor advertising sign is reconstructed.

21 [(9)] (10) A reconstruction permit may be issued for the addition of another display surface on  
 22 the opposite side of an existing, conforming outdoor advertising sign under permit, that is no larger  
 23 than the existing display surface.

24 [(10)] (11) The director shall require removal of a sign or shall cancel a permit and require re-  
 25 moval of an outdoor advertising sign as provided by ORS 377.775 if the director finds a sign or an  
 26 outdoor advertising sign has been erected, maintained or serviced from the highway right of way  
 27 at any portion of the right of way where the department has acquired rights of access to the high-  
 28 way or rights of access have not accrued to the abutting property. If there is no permit for the  
 29 outdoor advertising sign, then the director shall require removal of the outdoor advertising sign. In  
 30 addition, the department may recover from the owner of the sign or outdoor advertising sign or from  
 31 the person erecting, maintaining or servicing the sign or outdoor advertising sign, the amount of  
 32 damage to landscaping, sod, fencing, ditches or other highway appurtenances resulting from such  
 33 acts. If a permit is canceled under this subsection, an outdoor advertising sign may not be relocated  
 34 under ORS 377.767.

35 [(11)(a)] (12)(a) The director may cancel a permit, unless a corrected application is filed or the  
 36 outdoor advertising sign is brought into compliance within 30 days after written notice thereof is  
 37 mailed to the permittee, if the director finds:

38 (A) The applicant has knowingly supplied materially false or misleading information in the ap-  
 39 plication for a permit or renewal thereof; or

40 (B) The outdoor advertising sign covered by the permit violates ORS 377.700 to 377.844.

41 (b) If a permit is canceled under this subsection, an outdoor advertising sign may not be relo-  
 42 cated under ORS 377.767, and the holder of the permit is not entitled to a relocation credit.

43 [(12)] (13) The director shall cancel a permit immediately upon failure of a permittee to erect  
 44 or maintain the outdoor advertising sign as described by the permit application and to attach a  
 45 permit plate to the outdoor advertising sign 180 days after the date of issuance of the permit.

1        [(13)] (14) The director shall assign a permit plate with an identification number to the permit  
 2 issued for an outdoor advertising sign. The permittee shall attach the permit plate to the outdoor  
 3 advertising sign so the plate is visible from the adjacent state highway. The absence of a permit  
 4 plate or failure to renew the permit annually is prima facie evidence that the outdoor advertising  
 5 sign does not comply with ORS 377.700 to 377.844.

6        [(14)] (15) Except as otherwise provided in ORS 377.712, 377.753 and 377.765, no permits shall  
 7 be issued for the erection of any new outdoor advertising sign after May 30, 2007.

8        [(15)] (16) The director may establish more than one class or type of outdoor advertising sign  
 9 permit as necessary or desirable to carry out ORS 377.700 to 377.844.

10       [(16)] (17) Any hearing under this section shall be conducted as a contested case hearing under  
 11 ORS chapter 183.

12        **SECTION 3.** ORS 377.713 is amended to read:

13        377.713. (1) For purposes of this section:

14        (a)(A) An owner of an outdoor advertising sign shall be considered to have suffered a total loss  
 15 with respect to the outdoor advertising sign if, due to a highway construction project, the outdoor  
 16 advertising sign is removed from its current location or the face of the outdoor advertising sign  
 17 would be totally blocked in its current location.

18        (B) An owner of an outdoor advertising sign shall be considered to have suffered a partial loss  
 19 with respect to the outdoor advertising sign if, due to a highway construction project, the face of  
 20 the outdoor advertising sign would be substantially but not totally blocked in its current location.

21        (b) Full compensation for loss of an outdoor advertising sign equals the market value of the  
 22 outdoor advertising sign, measured by comparable sales of outdoor advertising signs as determined  
 23 by an appraiser recognized as a specialist in such valuations, less the salvage value of the compo-  
 24 nents of the outdoor advertising sign.

25        (2)(a) When the Department of Transportation determines that a highway construction project  
 26 supervised by the department will result in the total or partial loss of an outdoor advertising sign,  
 27 the department shall enter into negotiations with the owner of the outdoor advertising sign for re-  
 28 location of the outdoor advertising sign.

29        (b) The department may require the owner to provide information about the owner's efforts to  
 30 acquire a comparable location for the outdoor advertising sign.

31        (c) The department may assist the owner's efforts to acquire and obtain approval for a compa-  
 32 rable location for the outdoor advertising sign.

33        (3)(a) The department may enter into an agreement with the owner of an outdoor advertising  
 34 sign for relocation of the outdoor advertising sign on any terms not prohibited by law or inconsis-  
 35 tent with this section.

36        (b) An agreement entered into under this subsection may not require the department to pay the  
 37 owner of the outdoor advertising sign an amount in compensation that is greater than the actual  
 38 cost to the owner of relocating the outdoor advertising sign.

39        (4)(a) If, after reasonable efforts, the owner of an outdoor advertising sign subject to total or  
 40 partial loss is unable to acquire a comparable location in the same market area for the outdoor  
 41 advertising sign, except as provided in ORS 377.725 [(4)] (5), the department shall pay the owner  
 42 compensation as provided in this subsection.

43        (b) Except as provided in paragraph (c) of this subsection, for a total loss of an outdoor adver-  
 44 tising sign, the department shall pay the owner full compensation for the loss and permanently  
 45 cancel the sign permit, and the owner shall remove the sign.

1 (c) For a total loss of an outdoor advertising sign in which a new site for the outdoor adver-  
2 tising sign is found at a less than comparable location, the department shall pay the owner the dif-  
3 ference between the amount of full compensation for the loss and the market value of the outdoor  
4 advertising sign as located at the new site. If the new site is on a state highway, the owner may  
5 use the outdoor advertising sign's existing permit issued under ORS 377.725 to apply for a relocation  
6 permit. If the new site is not on a state highway, the department shall permanently cancel the per-  
7 mit.

8 (d) For a partial loss of an outdoor advertising sign, the department shall pay the owner the  
9 percentage of full compensation that is equal to the loss of market value due to the blockage of the  
10 sign's face.

11 (e) The department and the owner may enter into an agreement for partial or full compensation  
12 under this subsection in the form of additional relocation credits or other in-kind value.

13 (5)(a) If the department and the owner of an outdoor advertising sign do not agree that a com-  
14 parable location is available in the case of the total loss of an outdoor advertising sign, or do not  
15 agree to the amount of compensation offered by the department, the department shall provide writ-  
16 ten notice of the final offer of compensation to the owner.

17 (b) The owner may appeal to the department the comparable location determination and the  
18 amount of compensation contained in the written notice. The hearing on the appeal shall be con-  
19 ducted as a contested case hearing under ORS chapter 183.

20 (c) Notwithstanding paragraph (b) of this subsection, in the case of the total loss of an outdoor  
21 advertising sign, the owner shall remove the outdoor advertising sign that is the subject of the  
22 written notice within 90 days after receipt of the notice.

23 (6) Nothing in this section may be construed to require the department to take, and the de-  
24 partment may not take or authorize, any action that would make the department ineligible to re-  
25 ceive federal funds.

26 (7) The department may adopt rules to implement the provisions of this section.  
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