

SENATE BILL REPORT

SB 5605

AS REPORTED BY COMMITTEE ON TRANSPORTATION, APRIL 2, 1993

Brief Description: Funding roadside improvements.

SPONSORS: Senators Fraser, Prentice and Prince

SENATE COMMITTEE ON ECOLOGY & PARKS

Majority Report: That Substitute Senate Bill No. 5605 be substituted therefor, and the substitute bill do pass and be referred to Committee on Transportation.

Signed by Senators Fraser, Chairman; Moore, Sutherland, and Talmadge.

Staff: Cathy Baker (786-7708)

Hearing Dates: February 19, 1993; March 3, 1993

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended to Substitute Senate Bill No. 5605 as recommended by Committee on Ecology & Parks.

Signed by Senators Vognild, Chairman; Skratek, Vice Chairman; Drew, Haugen, Nelson, Oke, Prentice, Prince, M. Rasmussen, Sheldon, and Winsley.

Minority Report: Do not pass substitute.

Signed by Senator Loveland.

Staff: Roger Horn (786-7839)

Hearing Dates: April 1, 1993; April 2, 1993

BACKGROUND:

Under existing law, the Department of Transportation (DOT) is authorized to erect and maintain individual business signs, commonly referred to as logo signs, along interstates to give the traveling public information on the availability of gas, food, and lodging at interchanges. The department is authorized to charge reasonable fees for the display of these signs in order to defray the costs of installation and maintenance.

Under existing law, a permit issued by the Department of Transportation is required in order to erect and maintain highway advertising signs, commonly known as billboards. The statute specifies an annual permit fee of \$10 per year. This fee was established in 1971 and has not changed since that time.

The Department of Transportation currently manages a Scenic Highways Program that works with other state agencies and local governments to preserve and enhance amenities along state highways, including unique natural, cultural and historic features.

In 1991, the Legislature directed the Department of Transportation to study a "Highway Heritage Program" whose purpose would be to preserve the scenic character of Washington's highway corridors and provide travelers with opportunities to appreciate and obtain information on unique features that are near or accessible by highways.

SUMMARY:

For individual business signs along interstates, businesses shall pay an annual fee of \$100 per mainline sign and \$50 per ramp sign on an exit from the mainline. The fees shall be deposited into the highway heritage account.

For highway advertising signs (billboards), the department shall set the initial and renewal permit fees to defray administrative costs. Businesses shall pay an annual fee of \$200 per billboard. The fees shall be deposited into the highway heritage account.

A highway heritage account is created in the transportation fund. Revenue from the account shall be used exclusively for grants to public agencies and nonprofit organizations for projects that preserve and enhance scenic, historical, or cultural features along state highways, county roads, or city streets. The use of this revenue to match federal and local funds for similar scenic highway programs is a priority.

EFFECT OF PROPOSED SUBSTITUTE:

The additional fees for logo signs apply only to logo signs along interstates, and the fee is reduced to \$50 per year. The proposed additional fees for billboards are also reduced to \$50 per year. The additional fees for billboards apply only to "type 4" and "type 5" signs permitted by department.

The revenue generated from the fees will also be used for allowing citizen participation in comprehensive highway heritage planning.

The grant money is to be used only on state highways and county roads; projects on city streets are not eligible for grant money.

SUMMARY OF PROPOSED TRANSPORTATION AMENDMENT:

The section that placed a \$50 fee on billboards to support the highway heritage program is removed.

Appropriation: none

Revenue: yes

Fiscal Note: requested March 3, 1993

TESTIMONY FOR (Ecology & Parks): None

TESTIMONY AGAINST (Ecology & Parks):

The proposed fees will impact small businesses. There are other ways to fund highway heritage programs. Fees should be used only for defraying administrative costs associated with the department's sign program.

TESTIFIED (Ecology & Parks): CON: Terry Lynch; Raymond Thieman; Celia Fritz, 3M National; Bill Barber, Ackerly Communications; Becky Bogard, Washington State Hotel Motel Association

TESTIMONY FOR (Transportation):

The highway heritage program will help preserve scenic views and provide information on Washington's history and culture for travelers. The companies that advertise on highways using food, gas, and lodging signs or billboards benefit from increased tourism and should help pay for roadside improvements that encourage travel in our state.

TESTIMONY AGAINST (Transportation):

Fees should not be imposed on billboard owners for purposes other than covering administrative costs of billboard regulation. These fees would place an undue burden on the state's major billboard companies.

TESTIFIED (Transportation): Senator Fraser, prime sponsor (pro); Becky Bogard, Ackerly Communications (con); Celia Fritz, 3M (con)