

HOUSE BILL REPORT

SHB 1702

As Passed House:

March 13, 2003

Title: An act relating to motorist information sign panels.

Brief Description: Recovering costs for motorist information signs.

Sponsors: By House Committee on Transportation (originally sponsored by Representatives Hatfield, Mielke, Romero, Armstrong, Cooper, Blake, Boldt, Orcutt, Santos, McCoy, Alexander, Schoesler, Chandler, Grant, Schindler and Condotta).

Brief History:

Committee Activity:

Transportation: 2/27/03, 3/6/03 [DPS].

Floor Activity:

Passed House: 3/13/03, 96-0.

Brief Summary of Substitute Bill

- Requires the Department of Transportation (DOT) to charge reasonable fees to recover their costs for the erection and maintenance of motorist information sign panels.
- Repeals current law requiring the DOT to contract out the motorist information sign program.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives Murray, Chair; Rockefeller, Vice Chair; Simpson, Vice Chair; Jarrett, Assistant Ranking Minority Member; Anderson, Armstrong, Bailey, Clibborn, Cooper, Dickerson, Flannigan, Hankins, Hatfield, Hudgins, Kristiansen, Lovick, Mielke, Morris, Nixon, Romero, Shabro, Sullivan, Wallace, Wood and Woods.

Minority Report: Do not pass. Signed by 2 members: Representatives Ericksen, Ranking Minority Member; and Schindler.

Staff: Reema Griffith (786-7301).

Background:

Under current law the Department of Transportation (DOT) is authorized to erect and maintain motorist information sign panels within the right of way of the highway system to provide the traveling public with information regarding gas, food, lodging, and tourist-oriented businesses available at or near an interchange. The DOT is required to charge reasonable fees to defray the cost of installation and maintenance of the individual business signs on the motorist information panels. However, current language falls short of requiring, but rather authorizes, the DOT to also charge reasonable fees to recover their costs for the erection and maintenance of the information sign panels.

A law change was made during the 2002 legislative session which required the DOT to contract with a private contractor to administer the motorist information sign panel program. Under this law the contractor would be solely responsible for the marketing, administration, financial management, sign fabrication, installation, and maintenance of the information sign panels.

During the 2002 interim a debate was sparked surrounding a provision in the new law that authorized the contractor to set the market rate to be charged to the businesses advertising on the information sign panels. Currently the DOT charges \$100 per year for a business to advertise on a panel located on the interstate but at this fee level, the DOT is not recovering their costs. Conversely, in states where a private contractor runs the motorist information sign panel program, fees to participating businesses range from \$650 to \$4,600 per year.

Summary of Substitute Bill:

The DOT is required to charge reasonable fees to recover their costs for the erection and maintenance of the motorist information sign panels.

The DOT must maximize the use of available space on the motorist information sign panels and process applications submitted by businesses in a timely and efficient manner. Fruit and vegetable stands are added as a type of tourist-oriented business that could qualify to advertise on the panels.

The current law requiring the DOT to contract out the motorist information sign program is repealed.

Appropriation: None.**Fiscal Note:** Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This bill will help ensure that the motorist information sign panel program is kept within the DOT and not contracted out. This is critically important to businesses who advertise on the panels because most could not afford to continue advertising under the likely pricing levels that would be instated under private management of the program.

Testimony Against: None.

Testified: T.K. Bentler, Washington State Hotel and Lodging Association; Mark Stearns, Best Inn and Suites, Jacques Baheux, Redlion Hotels; Tannley Owens, Sherwood Inn and Silver Dollar Casino; Dennis Eagle, Washington Federation of State Employees; Becky Bogard, Washington Association Convention Visitors Bureau; and Charlie Brown, Washington Oil Marketers Association.

(With concerns) Michael Transue, Washington Restaurant Association.

(Comments only) John Conrad, Washington State Department of Transportation.