

BILL ANALYSIS

C.S.H.B. 2806
By: Canales
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law and practice, commercial signs along state and federal highways located within municipalities are permitted by both the Texas Department of Transportation and the relevant municipal government. When a highway or other public infrastructure improvement project is expanded and that expansion impacts a commercial sign location, TxDOT regulations afford the sign permittee the opportunity for relocation. However, some cities routinely deny commercial sign relocation applications regardless of TxDOT actions. C.S.H.B. 2806 seeks to address this issue by authorizing the owner of a commercial sign to relocate the use, structure, and permit under certain conditions and requiring a municipality to provide for the relocation by a special exception to any applicable ordinance.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2806 amends the Transportation Code to authorize the owner of a commercial sign to relocate the use, structure, or permit of the commercial sign to another location permitted by statutory provisions relating to highway beautification or rules adopted thereunder if the sign use, structure, or permit may not be continued due to the following reasons:

- the widening, construction, or reconstruction of a highway;
- the installation, expansion, or construction of public infrastructure; or
- the undertaking of a public improvement project by a public improvement district.

The bill requires the municipality in which the use or structure is located, if located in a municipality, to provide for the relocation by a special exception to any applicable ordinance, if necessary.

C.S.H.B. 2806 authorizes the owner of a commercial sign whose view and readability are obstructed due to a noise abatement or safety measure, a grade change, vegetation, construction, an aesthetic improvement by a state agency, or a directional sign, to relocate the sign to a location in which a commercial sign is permitted under statutory provisions relating to highway beautification or rules adopted thereunder. The bill establishes that the owner of the sign is responsible for all costs associated with relocating a sign and is not entitled to any compensation for those costs. The bill requires a municipality in which the sign is located, if located in a municipality, to provide for the relocation by a special exception to any applicable ordinance, if necessary.

C.S.H.B. 2806 establishes that the rights associated with a commercial sign that was lawfully erected but no longer complies with current laws and regulations, including laws and regulations promulgated under provisions relating to highway beautification, outdoor signs on rural roads, and municipal regulation of signs, vest in the owner of the commercial sign.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 2806 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the introduced specified locations to where the owner of a commercial sign may relocate the use, structure, or permit of the sign, the substitute does not specify any such locations and instead specifies that the location is permitted by statutory provisions relating to highway beautification or a rule adopted thereunder. The substitute omits the requirement from the introduced for the sign to be relocated to a location where permitted under statutory provisions relating to an offense for erecting or maintaining an unlawful commercial sign.

The substitute omits a provision that appeared in the introduced that requires any governmental entity, quasi governmental entity, or public utility that acquires a commercial sign by eminent domain or causes the need for the sign to be relocated to pay the costs related to the acquisition or relocation.

Whereas the introduced included widening along a highway as a circumstance that triggers the authorization for the owner of a commercial sign to adjust the height of and relocate the sign if the view or readability of the sign is obstructed due to certain circumstances, the substitute does not include such as a circumstance and does not authorize the owner to adjust the height of the sign. Additionally, the introduced authorized the sign's relocation under those circumstances to a location within 500 feet of its previous location if the sign complies with applicable spacing requirements and is in a location in which a commercial sign is permitted under statutory provisions relating to an offense for erecting or maintaining an unlawful commercial sign, but the substitute authorizes the sign's relocation under those circumstances to a location instead in which a commercial sign is permitted under statutory provisions relating to highway beautification or rules adopted thereunder. The substitute omits a provision that appeared in the introduced authorizing an adjusted or relocated sign to be erected to a height and angle to make it clearly visible to traffic on the main-traveled way of a highway and requiring such a sign be the same size as the previous sign. The substitute includes a provision that was absent from the introduced establishing that the owner of the sign is responsible for all costs associated with relocating a sign due to the obstruction of the view and readability of the sign and is not entitled to any compensation for those costs.

The substitute omits the specification that appeared in the introduced that the applicable ordinance to which a county or municipality must provide exception for the relocation or height adjustment of a commercial sign is a zoning ordinance. Additionally, the substitute does not include a county in that requirement to provide for the relocation by an exception to an ordinance and does not include providing for the height adjustment of a sign in the requirement.

Whereas the introduced established that the rights associated with an off-premise sign that is lawfully in existence but no longer complies with current applicable laws and regulations vest in the sign's owner, the substitute makes that provision applicable instead with respect to a commercial sign, as defined by statutory provisions relating to highway beautification, that was

lawfully erected but no longer complies with those laws and regulations. The substitute accordingly omits the provision included in the introduced defining "off-premise sign" as an outdoor sign displaying advertising that pertains to a business, person, organization, activity, event, place, service, or product not principally located or primarily manufactured or sold on the premises on which the sign is located.