

SB

56

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 1/29/97

FURTHER: .

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered SENATE BILL NO. 56

"An Act relating to tourist oriented directional signs that are 90 inches in width and 18 inches in height, relating to penalties for violations related to outdoor advertising, and annulling a regulation of the Department of Transportation and Public Facilities."

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical change
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Robert E. Kelly</i>	<input checked="" type="checkbox"/>	<i>Al Adams</i>	<input checked="" type="checkbox"/>		
<i>Sam Pinell</i>	<input checked="" type="checkbox"/>				
<i>John Torquato</i>	<input checked="" type="checkbox"/>				
<i>D. C. Conley</i>	<input checked="" type="checkbox"/>				
<i>George...</i>	<input checked="" type="checkbox"/>				
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair:			
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
DOTPF	1/28		21.5

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

REPORTED OUT OF

SFC 2-5-97

No. 1

BILL NO. Bill Version: SB56

(S) Publish Date: 1/29/97

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: DOT&PF
 Title: Business Signs/Outdoor Advertizing BRU: Engineering and Operations
 Component: Engineering and Operations
 Sponsor: Senator Green
 Requester: Senate Transportation COMPONENT SERIAL NO. 547

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	10.5	10.5	10.5	10.5	10.5	10.5
TRAVEL	1.0	1.0	1.0	1.0	1.0	1.0
CONTRACTUAL SUPPLIES	10.0					
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	21.5	11.5	11.5	11.5	11.5	11.5

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	21.5	11.5	11.5	11.5	11.5	11.5
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	21.5	11.5	11.5	11.5	11.5	11.5

Estimate of any current year (FY97) cost: \$ 0.0

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

It is assumed that owners of the businesses will be responsible for sign purchase, installation, permits, easments, other rental agreements and maintenance of the signs should this bill become law. It is also assumed that all andministrative and organizational costs will rest with the business erecting the sign.

Currently, no other state allows placement of official directional signs on private property due to the difficulties in controlling and enforcing sign placement on private property

One technical engineer will be required to spend approximately one month to review and administer the state aspects of the program. Estimated cost on \$10,500 plus \$1000 for travel

Writing regulations is estimated to cost \$10,000, \$5,000 to write regulations and \$5,000 for public hearings.

Prepared by: Sam Kito III Special Assistant Phone: 465-3900
 Division: Office of the Commissioner Date: 1/28/97
 Approved by: Joseph L. Puh Commissioner Date: 1/28/97
 Agency: Department of Transportation and Public Facilities

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Sen. Donley moved w/
acc. F/N, no objection
reported out
10-LS0371A

SENATE BILL NO. 56

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATORS GREEN, Pearce

Introduced: 1/21/97

Referred: Transportation, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to tourist oriented directional signs that are 90 inches in width
2 and 18 inches in height, relating to penalties for violations related to outdoor
3 advertising, and annulling a regulation of the Department of Transportation and
4 Public Facilities."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * Section 1. LEGISLATIVE FINDINGS; INTENT. (a) The Alaska State Legislature finds
7 that

8 (1) the scenic beauty of Alaska is unquestionably unique and is revered by
9 residents of the state as well as visitors to Alaska;

10 (2) it is imperative that the State of Alaska maintain its scenic highway system
11 throughout the state for the benefit of residents of Alaska and visitors to Alaska;

12 (3) it is also imperative that residents of Alaska and visitors to Alaska travel in
13 a safe manner on the state highway system and that the safety of the residents of Alaska and
14 visitors to Alaska be assured by a system of directional signing for traveler oriented attractions

1 and services.

2 (b) It is the intent of the Alaska State Legislature to provide better information to
3 motorists by authorizing a well planned and regulated system of directional signing for traveler
4 oriented attractions and services in a manner similar to the current tourist oriented directional
5 sign program that has been established under policies of the Department of Transportation and
6 Public Facilities and in a manner consistent with standards established by the Federal Highway
7 Administration and the Manual of Uniform Traffic Control Devices.

8 * Sec. 2. AS 19.25.105(a) is amended to read:

9 (a) Outdoor advertising may not be erected or maintained within 660 feet of
10 the nearest edge of the right-of-way and visible from the main-traveled way of the
11 interstate, primary, or secondary highways in this state except the following:

12 (1) directional and other official signs and notices which include, but
13 are not limited to, signs and notices pertaining to natural wonders, scenic and historic
14 attractions, which are required or authorized by law, and which shall conform to
15 federal standards for interstate and primary systems;

16 (2) signs, displays, and devices advertising the sale or lease of property
17 upon which they are located or advertising activities conducted on the property;

18 (3) signs determined by the state, subject to concurrence of the United
19 States Department of Transportation, to be landmark signs, including signs on farm
20 structures, or natural surfaces, of historic or artistic significance, the preservation of
21 which would be consistent with the provisions of this chapter;

22 (4) directional signs and notices pertaining to schools;

23 (5) advertising on bus benches or bus shelters, and adjacent trash
24 receptacles, if the state determines that the advertising conforms to local, state, and
25 federal standards for interstate and primary highways;

26 (6) tourist oriented directional signs erected under (e) of this
27 section.

28 * Sec. 3. AS 19.25.105(d) is amended to read:

29 (d) Outdoor advertising may not be erected or maintained within the right-of-
30 way of an interstate, primary, or secondary highway except that outdoor advertising
31 is allowed on

32 (1) bus benches and bus shelters, and adjacent trash receptacles, located

1 within the right-of-way under the authority of a permit issued under AS 19.25.200, if
 2 the bus benches or bus shelters are located within a borough or unified municipality
 3 and the buses that stop at that location operate during the entire year; and

4 (2) tourist oriented directional signs erected under (e) of this
 5 section.

6 * Sec. 4. AS 19.25.105 is amended by adding a new subsection to read:

7 (e) The department shall establish a tourist oriented directional sign program.

8 The department shall erect, or permit the erection of, directional signs for traveler
 9 oriented attractions and services within and outside of the rights-of-way of interstate,
 10 primary, and secondary highways in areas zoned industrial or commercial or in
 11 unzoned areas determined to be commercial or industrial areas. The signs may be
 12 erected on private land adjacent to the rights-of-way of interstate, primary, and
 13 secondary highways in this state if permission for the erection of the sign is granted
 14 by the owner of the private land. The sign, excluding posts, must be 90 inches in
 15 width and 18 inches in height and may contain only the name of the attraction or the
 16 business providing the attraction or service, an icon representing the attraction or
 17 service, the distance to the attraction or service, and a directional arrow. The location
 18 of directional signs within a right-of-way and the design and content of directional
 19 signs must be consistent with standards approved by the Federal Highway
 20 Administration. The department shall retain control over the location of directional
 21 signs. In scenic areas, the department shall control the location of directional signs in
 22 a manner that maintains the quality of scenic areas.

23 * Sec. 5. AS 19.25.130 is amended to read:

24 **Sec. 19.25.130. Penalty for violation.** A person who violates AS 19.25.080
 25 - 19.25.180, or a regulation adopted under AS 19.25.080 - 19.25.180 [THEM], is guilty
 26 of a violation [MISDEMEANOR] and upon conviction is punishable by a fine of not
 27 less than \$50 nor more than \$1,000.

28 * Sec. 6. AS 19.45.002 is amended to read:

29 **Sec. 19.45.002. Penalties.** A person who violates a [ANY] provision of
 30 AS 19.05 - AS 19.25, other than a provision of AS 19.25.080 - 19.25.180, is guilty
 31 of a misdemeanor and upon conviction is punishable by a fine of not less than \$10 nor

1 more than \$500, or by imprisonment in jail for a period not to exceed one year, or by
2 both.

3 * Sec. 7. 17 AAC 20.010 is annulled.

ALASKA STATE LEGISLATURE



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Session:

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Juneau, Alaska 99801-1152
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Fax (907) 465-3805

SENATOR LYDA GREEN
SENATE DISTRICT N

Sponsor Statement

Senate Bill 56

Senate Bill 56 amends Alaska Statute Title 19 to allow certain restricted exceptions to current outdoor advertising law in order to better serve the traveling public and provide increased opportunity for Alaskan businesses.

SB 56 establishes a category of outdoor advertising for business entities of significant interest to the traveling public and allows their placement in zoned/unzoned commercial or industrial areas along a state highway, subject to stringent restrictions.

SB 56 provides these directional signs be consistent with format and size standards established by the Department of Transportation and limits their placement as to proximity to the business thereby further mitigating any potential impact on the scenery visible from Alaska's highways.

Other provisions of SB 56 would codify in statute the existing DOT Tourist Oriented Directional Signs (TODS) program and clarify language providing municipal authority to enact by ordinance standards for directional signs adopted by the DOT or standards more restrictive than those provided by this measure.

Passage of SB 56 would provide long sought assistance to Alaska businesses dependent on trade with the traveling public as well as enhance the state's ability to be user-friendly for its tourists further promoting a responsive visitor industry. Identical legislation, SB 181 was passed by both bodies (vote was 33-3 in the House, 13-6 in the Senate, an override failed by just one vote) in the 19th Legislature. I respectfully request your support of SB 56.

Legislative Priorities . . .

(continued from page 1)

which the governor reduced by \$50,000 from last year's funding levels. This is a true success story in the face of the House and Senate's commitment to cut Governor Knowles' proposed operating budget. In the end, ATMC will receive \$5.3 million of general fund and industry dollars in FY97.

The ATMC funding issue is a difficult one for both the legislature and the tourism trade. Even though legislators were aware that ATMC's budget had been cut in half by the Hickel administration, we heard comments and questions regarding the council's future funding, including discussion of tourism taxes. Of significant concern were assertions by legislative leaders that the first priority for use of any additional tourism tax revenue would be to "fund the budget gap," rather than to restore the ATMC to previous funding levels. Several legislators seemed to appreciate the difficulty in devising an industry-wide tax mechanism that would be fair and equitable, given the diversity of tourism businesses. Consequently, neither the industry nor our elected public officials have been able to propose a plan to adequately fund ATMC without using general fund dollars.

Many legislators support AVA's position that any tourism tax revenue should be returned to the tourism marketing program, not to the general fund. They referred back to the Hickel administration's work with the seafood industry to develop a fish tax, with proceeds used as the private sector's contribution to the Alaska Seafood Marketing Institute (ASMI). This year, however, the legislature reduced state dollars for ASMI, and replaced them with fish tax receipts. This action effectively forces the seafood industry to help "fill the budget gap."

AVA has supported the concept of a broad-based industry tax only if it is fair and equitable, and constitutionally protected so that revenues do not become a general fund revenue stream. While this position has met with legislative and executive branch criticism, the ASMI example certainly gives credence to tourism concerns. We can expect this to be an issue during the 1997 legislative session.

Division of Tourism Budget

While House and Senate budget versions differed significantly, the Division of Tourism received \$2.7 for FY97, a 12% reduction from last year. However, in terms of actual general fund dollars, the DoT budget lost 18% of its state funding. The division hopes to make up some of the loss by generating \$205,000 in private sector program receipts -- i.e. money tourism businesses spend to participate in such

programs as trade shows and publications.

AVA strongly supported restoration money to fund the Alaska Visitors Statistics Program (AVSP), which has generated important visitor arrival and trend information since 1985. However, division cuts will result in drastically scaled back AVSP efforts, so that the industry can expect only a secondary arrival study for summer 1996, and fall/winter 1996/1997. In-depth studies on visitor arrivals, expenditures and patterns/opinions will not be funded. Also, the FY97 DoT budget includes a \$75,000 allocation to fund the Anchorage and Fairbanks Alaska Public Land Information Centers. This is part of a three-year phase out of state support for the APLIC program.

Highway Signage

Senator Lyda Green sponsored legislation modifying tourism directional signage laws, which passed both the House and the Senate. Despite rewrites meant to alleviate concerns, the governor vetoed Senate Bill 181. A legislative attempt to override the veto failed by one vote.

AVA had taken the lead this session, on behalf of our highway-based tourism members and the Alaska Campground Owners Association, to ensure that proposed legislation would preserve Alaska's scenic value, while providing desperately needed directional signage. The bill underwent several revisions, with the final version placing the current state Tourism Oriented Directional Sign (TODS) program into statute, and limiting the size (90 inches by 18 inches) and location of signage. The bill further required the Department of Transportation and Public Facilities to approve each sign application to avoid an unsightly proliferation.

Recreational Liability

Tort reform legislation, House Bill 158, gained support in the legislature, and passed both the Senate and House. At press time, HB158 had not yet been sent to the governor's office for action.

During the 1994 legislative session AVA worked to introduce and pass House Bill 300 relating to recreational liability limits for tourism businesses. The House passed this bill with a wide margin. Unfortunately, the bill met its demise in the Senate Judiciary Committee chaired by Senator Robin Taylor.

Given little hope of getting a similar bill through Senator Taylor, AVA focused efforts on existing Tort Reform legislation, House Bill 158, which had also passed the House during the prior legislative session. With strong encouragement from Senate leadership, Senator Taylor agreed to pass HB158 from his committee for a vote on the floor.

AVA lobbyists and executive committee members met with Senate leadership to seek support for amending the bill to include recreational liability language from HB300. In the last week of the 1996 session, Senator Miller, along with strong support from Senator Pearce, led the Senate Floor debate. This effort led to the bill's passage with the amendment intact.

Transportation Priorities

AVA's increased focus and work with the administration and legislature with regard to transportation project funding paid off this year. All of AVA's transportation priorities were included in the state's Six-Year Federal Highway Improvement Plan. More importantly, 1996-97 funding for many of these AVA priorities was approved by the legislature.

Speaker of the House addresses AVA Board

With just 12 days left in the legislative session, Speaker of the House Gail Phillips took time out of her busy schedule to address the board during the April 26 meeting in Juneau. "The House is committed to a \$70 million decrease in the state general fund budget this session," Representative Phillips told the board. "We have a goal of increasing revenue to the state through means other than the oil and gas industry. Generating more revenue from the forest industry has been a struggle, given the federal administration's policy that is restricting more and more timber harvest. At this point, we are not prepared to impose any new taxes, but this may happen at some point in the future."

The legislature is also committed to improving the state's infrastructure, according to Representative Phillips. "Alaska really needs to spend about \$300 to \$350 million each year on the capital budget just to keep the basic infrastructure going," she said. "But due to revenue decline, we are not able to do this. About \$100 million has been earmarked for the capital budget this year."


"This year's cuts are part of a five-year plan to eliminate the state's fiscal gap. Next year, cuts to the state budget will not be as severe," said Representative Phillips. "The caucus philosophy is to focus on industries that produce wealth. The legislature needs to support industries like tourism that bring back dollars to the state. Government does not produce wealth; private industry provides wealth."

RECEIVED

DEC - 3 1996

Ans'd..

Edwin S. Warfle
35021 Kenai Spur Highway
Soldotna, AK 99669


November 26, 1996

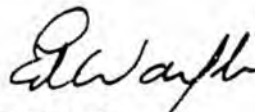
Representative Gail Camps (R)
126 W. Pioneer
Homer, AK 99603

Dear Gail,

As the election is over, I would like to request that you bring up the Sign Bill in hopes that we have the votes for passage. I hope this can be accomplished as soon as possible so that small businesses can take advantage of it this coming summer season.

Thank you for your support.

Respectfully,


Ed Warfle

Alaska State Legislature

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Official Business
Fax: (907) 465-3472



State Capitol
Juneau, AK. 99801-1182
(907) 465-3720
(907) 465-2689

Speaker of the House of Representatives

December 18, 1996

Mr. Edwin S. Warfle
35021 Kenai Spur highway
Soldotna, Ak 99669

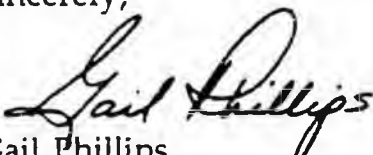
Dear Mr. Warfle::

Thank you for your letter regarding a "sign bill" which would allow advertising along the highway. Since my first session in the legislature in 1991, several bills have been introduced to allow at least limited advertising along the rights-of-way on state roads; and I have consistently supported them. However, only one of three bills passed by the legislature became law. The other two were vetoed by the Governor. Each of the three bills we passed would have allowed certain types of advertising, but each also allowed a municipality to override the sign allowance by passing stricter ordinances.

As you are most probably aware, the only bill which became law allows tourist businesses to advertise on trash receptacles adjacent to bus benches or shelters. Senator Lyda Green -- sponsor of last year's vetoed bill which would have allowed business advertising in highway rights-of-way -- is planning to reintroduce her bill, but she is not certain just when.

Again, I appreciate hearing from you and hope you will continue to share with me those issues of importance to you. I will forward your letter to Senator Green to include in her file of testimony in favor of a sign bill, and encourage her to introduce her bill soon. I feel confident that such a bill will make it through the legislature again; and, hopefully, the Governor will see its benefits to our economy and not veto it again.

Sincerely,


Gail Phillips
SPEAKER OF THE HOUSE

GP:jmj

cc: Senator Lyda Green, 600 E Railroad Avenue, Wasilla, AK 99654

TODS