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FISCAL NOTE

No. 1

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. SB56
(S) Publish Date: 1/29/97

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

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	10.0					
SUPPLIES						
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
CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0

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 administrative 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: <u>Sam Kito III</u> Special Assistant	Phone: <u>465-3900</u>
Division: <u>Office of the Commissioner</u>	Date: <u>1/28/97</u>
Approved by: <u><i>Joseph L. Puhlin</i></u> Commissioner	Date: <u>1/28/97</u>
Agency: <u>Department of Transportation and Public Facilities</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

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BILL: SB 56 SHORT TITLE: BUSINESS SIGNS/OUTDOOR ADVERTISING
BILL VERSION:
SPONSOR(S): SENATOR(S) GREEN,Pearce,Mackie

CURRENT STATUS: (S) CALENDAR 2/11 STATUS DATE: 02/10/97

HEARING:(S) RLS FEB 11 10:45 AM FAHRENKAMP RM 203

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

01/21/97	100	(S)	READ THE FIRST TIME - REFERRAL(S)
01/21/97	101	(S)	TRA, FIN
01/29/97	160	(S)	TRA RPT 4DP 1NR
01/29/97	160	(S)	DP:WARD,HALFORD,WILKEN,GREEN; NR:LINCOLN
01/29/97	160	(S)	FISCAL NOTE (DOT)
01/29/97	163	(S)	COSPONSOR(S): MACKIE
02/06/97	249	(S)	FIN RPT 6DP 1NR
02/06/97	249	(S)	DP: SHARP, PEARCE, PHILLIPS, PARNELL,
02/06/97	249	(S)	TORGERSON, DONLEY NR: ADAMS
02/06/97	249	(S)	PREVIOUS FN (DOT)
02/11/97		(S)	CALENDAR PENDING RLS MEETING

ALASKA STATE LEGISLATURE

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State Capitol
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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.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 4, 1997

SUBJECT: Fees for tourist oriented directional signs (SB 56)

TO: Senator Lyda Green
Attn: Janie Winegar

FROM: George Utermohler *GU*
Legislative Counsel

You have asked whether the Department of Transportation and Public Facilities may charge the same fee for a tourist oriented directional (TOD) sign placed on state property as for a TOD sign placed on private property.

The answer to your question depends on the purpose for which the fee is charged. The Department of Transportation and Public Facilities may charge fees under three separate provisions of law:

ONE: under AS 19.05.040(11)¹ the department may charge fees for the use of state roads, highways, and rights-of-way;

TWO: under AS 44.42.020(b)(5)², the department may charge reasonable fees for

¹ AS 19.05.040 states:

Powers of department. The department [of Transportation and Public Facilities] may

...
(11) establish, levy, and collect tolls, fees, charges, and rentals for the use of state roads, highways, bridges, tunnels, crossings, and causeways; and

² AS 44.42.020(b) states:

(b) The department [of Transportation and Public Facilities] may

...
(5) charge reasonable fees to cover the costs of issuing easements, licenses, and permits and to cover the costs of reproduction, printing, mailing, and

(continued...)

Senator Lyda Green
February 4, 1997
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the cost of issuing permits, easements, and licenses; and

THREE: under AS 44.42.020(b)(6)³, the department may charge and collect fees for technical assistance provided by department personnel.

Fees charged for the use of state highways and rights-of-way under AS 19.05.040(11) may only be charged for that purpose and may not be extended to apply to the use of private land adjacent to the right-of-way of a state highway. Similarly, a fee for an easement to use state right-of-way land under AS 44.42.020(b)(5) may only be charged for use of state land. The department does not have any authority to charge a fee for the use of private land. Under these provisions, the department cannot charge a fee related to a TOD sign that would be applicable to private property.

However, the department may charge a fee for the costs of issuing a permit for a TOD sign under AS 44.42.020(b)(5) that would be the same regardless of whether the sign was located on state land or private land. Likewise the department may charge a fee for the services provided by department employees who provide technical assistance in the design or location of a TOD sign under AS 44.42.020(b)(6) without regard for the location of the sign. The state incurs these costs regardless of whether the sign is located on state land or private land. In these two instances, the fee charged covers the expenses incurred by the department in considering, approving, or assisting in the location of the TOD sign and thus the fee could be the same for signs located on state land and for signs located on private land.

If I may be of further assistance, please advise.

GU:jdr
97-079.jdr

²(...continued)
distribution of contract and bid documents and design and construction standards manuals:

³ AS 44.42.020(b) states:

(b) The department [of Transportation and Public Facilities] may

(6) charge and collect fees for training services and technical assistance provided by department personnel.

MEMORANDUM

State of Alaska

Department of Transportation and Public Facilities
Engineering and Operations

TO: Boyd Brownfield, P.E.
Deputy Commissioner

DATE: February 4, 1997

THRU: Mike Downing, P.E. *GMD*
Director Engineering & Operations

FILE NO:

TELEPHONE NO: 465-2985

FAX NUMBER: 465-2490

TEXT TELEPHONE: 465-3652

FROM: Mark D. Kasberg *MK*
Right of Way

SUBJECT: TODS Fees

Per the commissioner's office request, I have estimated the total funds received from the Tourist Oriented Directional Signing program to date.

Approximately 160 permits statewide x \$300 (\$100 application fee and \$200 permit fee) for total of \$48,000.

Please advise if I can be of further assistance.

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