A BILL TO BE ENTITLED

AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform.

(2) "Municipality" means an incorporated city, town, or
village, including a home-rule city.

SECTION 2. RELLOCATION, RECONSTRUCTION, OR REMOVAL OF SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of
this article, a municipality may require the relocation,
reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated,
reconstructed, or removed is entitled to be compensated by the
municipality as provided by this section for costs associated with
the relocation, reconstruction, or removal.

(c) For a sign that is required to be relocated, compensable
costs include the expenses of dismantling the sign, transporting it
to another site, and reerecting it, and the decrease in value of
the property on which the sign was located, determined according to
the standards and procedures applicable in a proceeding under
Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location. The owner is responsible for designating the alternative site. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign because of the reconstruction, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(e) For a sign that is required to be removed, compensable costs include the cash value of the sign and the decrease in the value of the real property on which the sign was located, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

SECTION 3. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 2 of this article, the governing body of any municipality is authorized to utilize only the following methods prescribed by this section, or a combination of those methods.

(b) The municipality, acting pursuant to the Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas
Civil Statutes), may abate municipal property taxes that otherwise
would be owed by the owner of a sign that is required to be
relocated or reconstructed. The abated taxes may be on any real or
personal property owned by the owner of the sign except residential
property. The right to the abatement of taxes is assignable by the
holder, and the assignee may use the right to abatement with
respect to taxes on any nonresidential property in the same
reinvestment zone.

(c) The municipality may allocate all or any part of the
municipal property taxes paid on signs, on the real property upon
which the signs are located, or on other real or personal property
owned by the owner of the sign to a special fund in the municipal
treasury, to be known as the sign abatement and community
beautification fund, and make payments from that fund to reimburse
compensable costs to owners of signs required to be relocated,
reconstructed, or removed.

(d) The municipality may provide for the issuance of sign
abatement revenue bonds and use the proceeds to make payments to
reimburse costs to the owners of signs required to be relocated,
reconstructed, or removed.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of
compensation is at issue and the compensation is to be provided
over a period longer than one year, the court shall consider
whether the duration of the period is reasonable under the
circumstances.

(g) When a municipality requires an owner of more than one
sign to remove a sign, it must permit the owner to designate for retention an equal number of signs. The owner is entitled to retain the designated signs as nonconforming uses and the municipality may not later require their relocation, reconstruction, or removal, except as authorized by Section 4(b) of this article.

(h) If application of a municipal regulation would require reconstruction of a sign in a manner that would make it ineffective for its intended purpose, such as by substantially impairing the sign's visibility, application of the regulation is treated as the required removal of the sign for purposes of this article.

(i) In lieu of paying compensation, a city may exempt from required relocation, reconstruction, or removal those signs lawfully in place on the effective date of the requirement.

SECTION 4. EXCEPTIONS. (a) The requirements of this article do not apply to any sign that was erected in violation of local ordinances, laws, or regulations applicable at the time of its erection.

(b) The requirements of this article do not apply to a sign that, having been permitted to remain in place as a nonconforming use, is required to be removed by a municipality because the sign, or a substantial part of it, is blown down or otherwise destroyed or dismantled for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the
ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the legislature to promote and control the reasonable, orderly, and effective display of outdoor advertising on all highways and roads located outside the corporate limits of cities, towns, and villages in Texas to promote the recreational value of public travel, and to preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:

(1) "Commission" means the State Highway and Public Transportation Commission.

(2) "Rural road" means a road, street, way, thoroughfare, or bridge that is located in an unincorporated area and is not privately owned or controlled, any part of which is open to the public for vehicular traffic, and over which the state or any of its political subdivisions have jurisdiction.

(3) "Sign" means an outdoor structure, sign, display, light device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform and that is visible from the main-travelled way of a rural road.

(4) "On-premise sign" means a sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or
corporation.

(7) "Portable sign" means a sign designed to be mounted on a
trailer, bench, wheeled carrier, or other nonmotorized mobile
structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign
having a face area of 301 square feet or more may not be erected
within 1,000 feet of another sign on the same side of the roadway
having a face area of 301 square feet or more.

(b) An off-premise sign having a face area of at least 100
but less than 301 square feet may not be erected within 500 feet of
another sign on the same side of the roadway having a face area of
at least 100 but less than 301 square feet.

(c) An off-premise sign having a face area of less than 100
square feet may not be erected within 300 feet of another sign on
the same side of the roadway having a face area of less than 100
feet.

(d) For purposes of this section, each double-faced,
back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in
violation of this section because of their nearness to one another
if they are located so that their messages are directed toward
traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or
off-premise sign may not be erected that exceeds an overall height of 42-1/2 feet, excluding cutouts extending above the rectangular border, measured from the highest point on the sign to the grade level of the roadway from which the sign is to be viewed. A roof sign having a tight or solid surface may not at any point exceed 24 feet above the roof level. Open roof signs in which the uniform open area is not less than 40 percent of total gross area may be erected to a height of 40 feet above the roof level. The lowest point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other than an on-premise wall sign, may not be erected that has a face area exceeding 400 square feet, including cutouts but excluding uprights, trim, and apron, or that has face dimensions that exceed 15 feet in height or 30 feet in width. An off-premise sign may not be erected that has a face area exceeding 672 square feet, excluding cutouts, uprights, trim, and apron. Neither an on-premise nor an off-premise sign may have a cutout with an area larger than 20 percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a double-faced, back-to-back, or V-type nature, each face is considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE SIGNS. (a) Each on-premise or off-premise sign erected or sited must be designed to resist wind loads as follows:
WIND LOAD PRESSURES IN POUNDS
PER SQUARE FOOT FOR ALL SIGNS

Height, in feet above ground, as measured above the average level of the ground adjacent to the structure Pressure, pounds per square foot

0 - 30 20
31 - 50 25
51 - 99 35
100 - 199 45
200 - 299 50
300 - 399 55
400 - 500 60
501 - 800 70
Over 800 77

(b) Each on-premise or off-premise portable sign must be set back from the nearest road right-of-way at least 25 feet and be securely anchored to the ground by cables, ground supports, or other means to prevent overturning in high winds. A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs at a single business location.
SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period.

(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article; or

(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if
erected, would comply with the requirements of this article.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled way of a rural road without having first obtained a permit from the department. The fee for issuance of a permit is $25 for an original permit, which is valid for one year, and $10 for each annual renewal.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any sign, or a substantial part of it, is blown down or otherwise destroyed or taken down or removed for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign, it may not be reerected, reconstructed, or rebuilt except in full conformance with the provisions and requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from this article:

(1) a sign erected before the effective date of this article;

(2) a sign that has as its purpose the protection of life and property;

(3) a directional or other official sign authorized by law, including a sign pertaining to natural wonders or scenic or historic attractions;
(4) a sign or marker giving information about the location of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers, or waterlines;
(5) a sign erected by an agency of the state or a political subdivision of the state; and
(6) a sign erected solely for and relating to a public election, but only if:
   (A) the sign is on private property;
   (B) the sign is erected no sooner than the 60th day before the election and is removed no later than the 10th day after the election;
   (C) the sign is constructed of lightweight material; and
   (D) the surface area of the sign is not larger than 50 square feet.
(b) The following are exempt from the requirements of Section 5 of this article:
(1) signs advertising the sale or lease of property on which they are located; and
(2) on-premise wall signs.
(c) The exemption provided by Subsection (a)(1) of this section does not exempt a sign from Section 13 of this article to the extent that section applies.
SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the 60th day after the effective date of this article each owner of an off-premise sign erected before the effective date of this article that is visible from the main-travelled way of a rural road shall either remove the sign or register the sign with the commission.
The owner must pay a fee of $25 for each sign that is registered. This registration is valid for one year, but is renewable for an annual fee of $10 a sign.

SECTION 14. CIVIL PENALTIES. (a) A person who intentionally violates this article or a rule adopted by the commission under this article is liable to the state for a civil penalty. The attorney general or a county or district attorney may sue to collect the penalty.

(b) The amount of the penalty is not less than $150 nor more than $200 for each violation, depending on the seriousness of the violation. A separate penalty may be collected for each day on which a continuing violation occurs.

(c) If it is shown at the trial for collection of a civil penalty under this section that a judgment for a civil penalty was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent violation the court shall order the revocation of any permit held by the person for the location at which the subsequent violation occurred.

(d) Civil penalties collected under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 15. DISPOSITION OF FEES. All permit or registration fees collected by the commission under this article shall be deposited in the state treasury to the credit of the state highway fund.

ARTICLE 3

SECTION 1. Section 3, Property Redevelopment and Tax

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Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is
amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be
designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a
city or town, retard the provision of housing accommodations, or
constitute an economic or social liability and be a menace to the
public health, safety, morals, or welfare in its present condition
and use by reason of the presence of a substantial number of
substandard, slum, deteriorated, or deteriorating structures;
predominance of defective or inadequate sidewalk or street layout;
faulty lot layout in relation to size, accessibility, or
usefulness; unsanitary or unsafe conditions; deterioration of site
or other improvements; tax or special assessment delinquency
exceeding the fair value of the land; defective or unusual
conditions of title; the existence of conditions that endanger life
or property by fire or other cause; or any combination of these
factors or conditions;

(2) be predominantly open and, because of obsolete platting
or deterioration of structures or site improvements, or other
factors, substantially impair or arrest the sound growth of the
city or town;

(3) be in a federally assisted new community located within
a home-rule city or in an area immediately adjacent to the
federally assisted new community;

(4) be located wholly within an area which meets the
requirements for federal assistance under Section 119 of the
Housing and Community Development Act of 1974; [ex]

(5) encompass signs, billboards, and other outdoor advertising structures designated by the governing body of the incorporated city or town for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the city or town, which the legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act.

(b) For the purposes of Subdivision (3) of Subsection (a) of this section, a federally assisted new community is a federally assisted area that received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act and a portion of the federally assisted area has received grants under Section 107(a)(1) of the Housing and Community Development Act of 1974.

(c) The governing body of an incorporated city or town may designate, by boundaries, as a reinvestment zone any area, or real or personal property whose use is directly related to the business of outdoor advertising, within the taxing jurisdiction of the city or town that the governing body finds to satisfy the requirements of Subsection (a) of this section, subject to the limitations set forth by Section 4 of this Act. The governing body of an incorporated city or town shall designate a reinvestment zone eligible for residential property tax abatement, or commercial-industrial tax abatement, or tax incentive financing as provided for in the Texas Tax Increment Financing Act of 1981.
(Article 1066e, Vernon's Texas Civil Statutes) [86th Legislature, 1st Special Session, 1981].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 3(a) of Article 1, to the extent that provision excludes modes of compensation not specifically authorized by that provision. If this exclusion of alternative modes of compensation is for any reason held invalid by a final judgment of a court of competent jurisdiction, the remainder of this Act is void.

(b) Except as provided by Subsection (a) of this section, this Act is severable as provided by Chapter 45, Acts of the 63rd Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act affects a court-approved settlement entered into before the effective date of this Act in any litigation in a court of the United States involving the validity of municipal regulation of signs. To the extent a provision of this Act conflicts with the terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended.
A BILL TO BE ENTITLED

AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform.

(2) "Municipality" means an incorporated city, town, or village, including a home-rule city.

SECTION 2. RELOCATION, RECONSTRUCTION, OR REMOVAL OF SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of this article, a municipality may require the relocation, reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated, reconstructed, or removed is entitled to be compensated by the municipality as provided by this section for costs associated with the relocation, reconstruction, or removal.

(c) For a sign that is required to be relocated, compensable costs include the expenses of dismantling the sign, transporting it to another site, and reerecting it, and the decrease in value of the property on which the sign was located, determined according to the standards and procedures applicable in a proceeding under
H.B. No. 1330

Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location. The owner is responsible for designating the alternative site. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign because of the reconstruction, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(e) For a sign that is required to be removed, compensable costs include the cash value of the sign and the decrease in the value of the real property on which the sign was located, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

SECTION 3. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 2 of this article, the governing body of any municipality is authorized to utilize only the following methods prescribed by this section, or a combination of those methods.

(b) The municipality, acting pursuant to the Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas
Civil Statutes), may abate municipal property taxes that otherwise
would be owed by the owner of a sign that is required to be
relocated or reconstructed. The abated taxes may be on any real or
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municipal property taxes paid on signs, on the real property upon
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abatement revenue bonds and use the proceeds to make payments to
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(f) In any proceeding in which the reasonableness of
compensation is at issue and the compensation is to be provided
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reconstruction of a sign in a manner that would make it ineffective
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use, is required to be removed by a municipality because the sign,
or a substantial part of it, is blown down or otherwise destroyed
or dismantled for any purpose other than maintenance operations or
for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 50 percent of the
cost of erecting a new sign of the same type at the same location.

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the legislature to promote and control the reasonable, orderly, and effective display of outdoor advertising on all highways and roads located outside the corporate limits of cities, towns, and villages in Texas to promote the recreational value of public travel, and to preserve natural beauty.

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(b) An off-premise sign having a face area of at least 100
but less than 301 square feet may not be erected within 500 feet of
another sign on the same side of the roadway having a face area of
at least 100 but less than 301 square feet.

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square feet may not be erected within 300 feet of another sign on
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(d) For purposes of this section, each double-faced,
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sign having a tight or solid surface may not at any point exceed 24
feet above the roof level. Open roof signs in which the uniform
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<thead>
<tr>
<th>Height, in feet above ground, as measured above the average level of the ground adjacent to the structure</th>
<th>Pressure, pounds per square foot</th>
</tr>
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<tbody>
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SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period.

(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article; or

(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if
erected, would comply with the requirements of this article.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled way of a rural road without having first obtained a permit from the department. The fee for issuance of a permit is $25 for an original permit, which is valid for one year, and $10 for each annual renewal.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any sign, or a substantial part of it, is blown down or otherwise destroyed or taken down or removed for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign, it may not be reerected, reconstructed, or rebuilt except in full conformance with the provisions and requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from this article:

(1) a sign erected before the effective date of this article;

(2) a sign that has as its purpose the protection of life and property;

(3) a directional or other official sign authorized by law, including a sign pertaining to natural wonders or scenic or historic attractions;
(4) a sign or marker giving information about the location of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers, or waterlines;
(5) a sign erected by an agency of the state or a political subdivision of the state; and
(6) a sign erected solely for and relating to a public election, but only if:
(A) the sign is on private property;
(B) the sign is erected no sooner than the 60th day before the election and is removed no later than the 10th day after the election;
(C) the sign is constructed of lightweight material; and
(D) the surface area of the sign is not larger than 50 square feet.

(b) The following are exempt from the requirements of Section 5 of this article:
(1) signs advertising the sale or lease of property on which they are located; and
(2) on-premise wall signs.
(c) The exemption provided by Subsection (a)(1) of this section does not exempt a sign from Section 13 of this article to the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the 60th day after the effective date of this article each owner of an off-premise sign erected before the effective date of this article that is visible from the main-travelled way of a rural road shall either remove the sign or register the sign with the commission.
The owner must pay a fee of $25 for each sign that is registered. This registration is valid for one year, but is renewable for an annual fee of $10 a sign.

SECTION 14. CIVIL PENALTIES.  (a) A person who intentionally violates this article or a rule adopted by the commission under this article is liable to the state for a civil penalty. The attorney general or a county or district attorney may sue to collect the penalty.

(b) The amount of the penalty is not less than $150 nor more than $200 for each violation, depending on the seriousness of the violation. A separate penalty may be collected for each day on which a continuing violation occurs.

(c) If it is shown at the trial for collection of a civil penalty under this section that a judgment for a civil penalty was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent violation the court shall order the revocation of any permit held by the person for the location at which the subsequent violation occurred.

(d) Civil penalties collected under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 15. DISPOSITION OF FEES. All permit or registration fees collected by the commission under this article shall be deposited in the state treasury to the credit of the state highway fund.
Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions;

(2) be predominantly open and, because of obsolete platting or deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the city or town;

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community;

(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the
H.B. No. 1330

1 Housing and Community Development Act of 1974; [er]

2 (5) encompass signs, billboards, and other outdoor
3 advertising structures designated by the governing body of the
4 incorporated city or town for relocation, reconstruction, or
5 removal for the purpose of enhancing the physical environment of
6 the city or town, which the legislature hereby declares to be a
7 public purpose; or
8
9 (6) be designated a local or state-federal enterprise zone
10 under the Texas Enterprise Zone Act.
11
12 (b) For the purposes of Subdivision (3) of Subsection (a) of
13 this section, a federally assisted new community is a federally
14 assisted area that received or will receive assistance in the form
15 of loan guarantees under Title X of the National Housing Act and a
16 portion of the federally assisted area has received grants under
17 Section 107(a)(1) of the Housing and Community Development Act of
18 1974.
19
20 (c) The governing body of an incorporated city or town may
21 designate, by boundaries, as a reinvestment zone any area, or real
22 or personal property whose use is directly related to the business
23 of outdoor advertising, within the taxing jurisdiction of the city
24 or town that the governing body finds to satisfy the requirements
25 of Subsection (a) of this section, subject to the limitations set
26 forth by Section 4 of this Act. The governing body of an
27 incorporated city or town shall designate a reinvestment zone
28 eligible for residential property tax abatement, or
29 commercial-industrial tax abatement, or tax incentive financing as
30 provided for in the Texas Tax Increment Financing Act of 1981
H.B. No. 1330

(Article 1066e, Vernon's Texas Civil Statutes) [S.B.-H.B.-167-67th
Legislature,-1st-Gaile-Session,-1981].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September
1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The
legislature declares that it would not have enacted this Act
without the inclusion of Section 3(a) of Article 1, to the extent
that provision excludes modes of compensation not specifically
authorized by that provision. If this exclusion of alternative
modes of compensation is for any reason held invalid by a final
judgment of a court of competent jurisdiction, the remainder of
this Act is void.

(b) Except as provided by Subsection (a) of this section,
this Act is severable as provided by Chapter 45, Acts of the 63rd
Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas
Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act
affects a court-approved settlement entered into before the
effective date of this Act in any litigation in a court of the
United States involving the validity of municipal regulation of
signs. To the extent a provision of this Act conflicts with the
terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
H.B. No. 1330

1 days in each house be suspended, and this rule is hereby suspended.
COMMITTEE AMENDMENT NO. 1

Amend House Bill 1330, Article 1, Section 3(b) as follows:
On page 3, line 8, delete the words "reinvestment zone" and substitute in lieu thereof "taxing jurisdiction".

Gavin

COMMITTEE AMENDMENT NO. 2

Amend House Bill 1330, Article 1, Section 4 as follows:
On page 4, line 27, delete the words "50 percent" and in lieu thereof add the words "60 percent."

Gavin

COMMITTEE AMENDMENT NO. 3

Amend House Bill 1330, Article 1, on page 6, lines 9 through 20 shall be amended to read as follows:
Section 3. Spacing Requirements.
(a) An off premise sign having a face area of 301 square feet or more may not be erected within 1500 feet of another off premise sign on the same side of the roadway.
(b) An off premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off premise sign on the same side of the roadway.
(c) An off premise sign having a face area of less than 100 square feet may not be erected within 300 feet of another off premise sign on the same side of the roadway.

Gavin

COMMITTEE AMENDMENT NO. 4

Amend House Bill 1330, Article 2, by adding a new Subsection (f) to Section 9 to read as follows:
(f) Board of Variance.

The Commission shall provide for a Board of Variance which may in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

H.B. No. 1330

COMMITTEE AMENDMENT NO. 5

Amend House Bill 1330, Article 2, Section 10 as follows:

On page 10, line 7, add the following sentence:

"Except as authorized pursuant to this Act, no permit may be issued for an off premise sign, unless such sign is to be located within 800 feet of one or more recognized commercial or industrial business activities and located on the same side of the roadway as such business."

Gavin

COMMITTEE AMENDMENT NO. 6

Amend House Bill 1330, Article 2, Section 13 as follows:

On page 11, line 24, strike the word "60th" and in lieu thereof add the word "120th".

Gavin

COMMITTEE AMENDMENT NO. 7

Amend House Bill 1330, Article 2, Section 13 as follows:

On page 12, line 3, after the word "sign." add the following:

, provided however, the Commission may by regulation provide for a longer renewal period not to exceed five years."

Gavin
H.B. No. 1330

COMMITTEE AMENDMENT NO. 8
Amend H.B. 1330 on page 10, line 21 by deleting "erected" and substituting "in existence".  

P. Hill of Dallas

COMMITTEE AMENDMENT NO. 9
Amend H.B. 1330 as follows:  
Page 3, delete line 27 through page 4 line 6.  

P. Hill of Dallas

COMMITTEE AMENDMENT NO. 10
Amend H.B. 1330 on page 12, line 10, by deleting "$200.00" and substitute "$1,000.00".  

P. Hill of Dallas

COMMITTEE AMENDMENT NO. 11
Amend H.B. 1330 Article 2 by adding a new Section 9A to read as follows:  
"9A Regulation in City Extraterritorial Jurisdiction. Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as otherwise provided by law. However, any municipality, in lieu of such regulatory ordinances, may allow the commission to regulate outdoor signs in said city's extraterritorial jurisdiction by filing a written notice with the commission."  

Smith of Brazos

COMMITTEE AMENDMENT NO. 12
Amend H.B. 1330, Article 1 Section 3, Subsection (b) as follows:
H.B. No. 1330

On page 3, line 8 add the following sentence:

"In any municipality where tax abatement is utilized in order

to pay compensable costs, such costs shall include reasonable

interest and such abatement period shall not exceed five years."

Messer

COMMITTEE AMENDMENT NO. 13

Amend H.B. 1330 as follows:

(1) On page 10, strike the sentence beginning on line 5 and

substitute the following:

A permit issued under this section is valid for one year.

The commission by rule shall prescribe fees for the issuance of

permits in amounts determined by the commission to be sufficient to

enable the commission to recover the costs of enforcement of this

article. Fees collected under this section shall be deposited in

the state treasury and may be used only for the enforcement of this

article.

(2) On page 12, line 22, strike "All" and substitute "Except

as provided by Section 10 of this article,".

P. Hill of Dallas

COMMITTEE AMENDMENT NO. 14

Amend H.B. 1330 as follows:

(1) On page 12, line 4, insert "AND ADMINISTRATIVE" between

"CIVIL" and "PENALTIES".

(2) On page 12, line 9, insert "civil" between "the" and

"penalty".

(3) On page 12, line 10, strike "$200" and substitute

"$1,000".
H.B. No. 1330

(4) On page 12, line 11, insert "civil" between "separate" and "penalty".

(5) On page 12, insert a new Subsection (c) to read as follows between lines 12 and 13 and reletter current Subsections (c) and (d) appropriately:

(c) In lieu of a suit to collect a civil penalty, the commission may, after notice and an opportunity for hearing before the commission, assess an administrative penalty against a person who intentionally violates this article or a rule adopted by the commission under this article. The amount of an administrative penalty may not exceed the maximum amount of a civil penalty under this section. A continuing violation is subject to separate administrative penalties in the same manner as it is subject to separate civil penalties. A proceeding on the assessment of an administrative penalty under this subsection is a contested case for purposes of the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon’s Texas Civil Statutes). On appeal of the assessment of an administrative penalty under this subsection, the manner of review is by trial de novo.

(6) On page 12, strike line 14 and substitute the following: "penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, of or a judgment for an administrative penalty, was"

(7) On page 12, line 19, insert "and administrative" between "Civil" and "penalties".

P. Hill of Dallas
H.B. No. 1330

COMMITTEE AMENDMENT NO. 15

Amend H.B. 1330 at page 8 by deleting lines 18 through line 21, up to and including the words "high winds" on line 21.

Riley
COMMITTEE REPORT

Sr:

We, your COMMITTEE ON STATE AFFAIRS, to whom was referred HB1330 have had the same under consideration and beg to report back with the recommendation that it

( ) do pass, without amendment.
( ) do pass, with amendment(s).
( ) do pass and be not printed, a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. ( ) yes ( ) no
An actuarial analysis was requested. ( ) yes ( ) no
An author's fiscal statement was requested. ( ) yes ( ) no

The Committee recommends that this measure be placed on the (Local) or (Consent) Calendar.

This measure ( ) proposes new law. ( ) amends existing law.

House Sponsor of Senate Measure

The measure was reported from Committee by the following vote:

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<th>PNV</th>
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<td>Thompson, G. of Abilene</td>
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Total 9 aye 2 nay 1 present, not voting 1 absent

CHIEF JUDGE

COMMITTEE COORDINATOR
H.B. 1330                  Committee on State Affairs
By: Messer

Bill Analysis

Background Information

Currently, both federal and state governments must compensate the owners of outdoor advertising and the owners of the land on which the advertising is placed, in the case that such advertising is made illegal. Relevant practices differ in cities and other political subdivisions of this state.

Purpose

To prohibit a city or political subdivision from requiring the removal of outdoor advertising, or the reconstruction or relocation of same, if that structure complied with applicable law when erected, unless that political subdivision pays the owner just compensation. Compensation shall also be made to the owner of the real property where the advertising is located, if appropriate.

Synopsis

This bill does nothing that may be construed to limit the authority of a municipality to regulate signs within its corporate limits. Provides for compensation of a sign owner by tax abatement, issuance of revenue bonds, cash payment. Compensation shall also be made to owners of the real property on which the sign is located, if applicable. Signs erected in violation of an ordinance are not covered by the act.

Provisions are made for the regulation of outdoor signs outside of corporate limits by the State Highway and Public Transportation Commission, with respect to height, spacing, face restrictions, wind load and number of on-premise signs.

The Commission is allowed to make rules to administer and enforce the article dealing with signs outside corporate limits. Provisions are made for permitting and replacement of signs. Certain types of signs are exempted. Penalties.

To be designated a reinvestment zone, an area must, encompass signs billboards or other signs designated for enhancement or removal. Areas directly related to the business of outdoor advertising may be designated as a reinvestment zone eligible for tax abatement.

Invalidation of the means of compensation under this act by a court shall invalidate this act. Nothing in this act shall affect a court approved settlement entered into before the effective date of this act.

Rulemaking Authority.

Specific rulemaking authority is delegated to the Texas Department of Highways and Public Transportation with respect to the regulation of signs outside corporate limits.
Summary of Committee Action

Public notice was posted in accordance with the rules of the House and a public hearing was held on March 25, 1985.

The bill was referred to a subcommittee consisting of the following members: Stiles; Gavin; P. Hill; Gilley; R. Smith. On March 28, 1985 the measure was reported to the full committee with amendments 1 through 10:
1) allows right to tax abatement to be assigned, by the holder, to any non-residential property in the taxing jurisdiction. This assignment was limited to the reinvestment zone.
2) a sign is considered destroyed if the cost of repair is more than 60% of the cost of erecting a new sign. Was 50%.
3) spacing requirements: 301 sq. ft. face 1500 ft.; 100-301 sq. ft. face 500 ft.; and less than 100 sq. ft. face 300 ft.
4) requires the Commission to provide for a Board of Variance to make special exceptions to Article 2.
5) prohibits the erection of a sign in a rural area unless the sign is to be located within 800 ft. of a business and on the same side of the roadway.
6) allows 120 days rather than 60 days for removal after the effective date of Article 2, H.B. 1330
7) allows the commission to provide for longer renewal periods not to exceed five years.
8) substitutes "in existence" for "erected". A technical clarification
9) the section allowing an owner to designate for retention a number of signs equal to those ordered removed is deleted.
10) raises the maximum penalty from $200 to $1000 for violation of Article 2 or the rules of the Commission.

On April 1, 1985 the full committee voted to report H.B. 1330 to the House, with amendments and with the recommendation that it do pass by a record vote of 9 ayes, 2 nays, 1 PNV and 1 absent.

The full committee added the following amendments 11 through 15.
11) Cities with a sign ordinance are allowed to extend and enforce that ordinance in its extraterritorial jurisdiction.
12) when tax abatement is used as compensation the abatement period shall not exceed five years and shall include reasonable interest.
13) permits for a sign erection are valid for one year. The set fees are deleted and the commission is empowered to set fees. Fees are to be deposited to the treasury and used for the enforcement of Article 2.
14) adjusting civil and administrative penalties. Enforcement of civil and administrative penalties.
15) deletes the clause referring to high wind requirements for portable signs.

The following persons appeared to testify on H.B. 1330:

The chair called A. Starke Taylor, Jr., Mayor, representing the City of Dallas, to testify against the bill.

The chair recognized Analessie Muncy, representing the City of Dallas, to testify against the bill.

The chair recognized Mark Bishop, representing the Houston Chamber of Commerce, to testify against the bill.

The chair called Bryghte Godbold, representing the Texas Society of Architects, to testify against the bill.

The chair called Carrol Shaddock, representing Billboards Limited, to testify against the bill.

The chair called Sally Buchanan, representing the San Antonio Coalition of neighborhoods, to testify against the bill.

The chair called Martha Clifton McNeel, representing the San Antonio Conservation Society, to testify against the bill.
The chair recognized Jon Lindsay, Harris County Judge, representing himself, to testify against the bill.

The chair recognized Robert B. Lee, representing himself and the Outdoor Advertising Association of Texas, to testify in favor of the bill.

The chair recognized Joe D. Gunn, representing the members of the AFL-CIO and other workers, to testify in favor of the bill.

The chair recognized Richie Jackson, representing the Texas Restaurant Association, to testify in favor of the bill.

The chair recognized Warlick Carr, representing Lubbock Outdoor, Inc. and Lubbock Poster Co., to testify in favor of the bill.

The chair recognized Bill Barton, representing the Texas Railroad Association, to testify in favor of the bill.

The chair recognized Dick Ingram, representing the Harris County Outdoor Advertising Association, to testify in favor of the bill.

The chair recognized John Goodner, Councilman, representing the City of Houston, to testify against the bill.

The chair recognized Alan Henry, Mayor, representing the City of Lubbock, to testify against the bill.

The chair recognized E.V. Ridlehuber, Mayor, representing the City of Plainview and the Texas Municipal League, to testify against the bill.
Honorable Pete Laney, Chair
Committee on State Affairs
House of Representatives
Austin, Texas

In Re: House Bill No. 1330, as amended
By: Messer

Sir:

In response to your request for a Fiscal Note on House Bill No. 1330, as amended (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

The bill would also authorize the State Department of Highways and Public Transportation to control and issue sign permits and renewals on all state and state political subdivision roads. Currently, the department only issues permits on interstate and federal aid primary roads and does not require renewal of permits.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

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<tr>
<th>Fiscal Year</th>
<th>Probable Administrative Cost Out of the State Highway Fund</th>
<th>Probable Revenue Gain to the State Highway Fund</th>
<th>Change in Number of State Employees from FY 1985</th>
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<tr>
<td>1986</td>
<td>$776,364</td>
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Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JG, JH, AL, LV

69FHB1330aa
Honorable Pete Laney, Chair  
Committee on State Affairs  
House of Representatives  
Austin, Texas

In Re: House Bill No. 1330
By: Messer

Sir:

In response to your request for a Fiscal Note on House Bill No. 1330 (relating to state and local regulation of outdoor signs) this office has determined the following:

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Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, BL

69FHB1330
Amend House Bill 1330, Article 1, Section 3 (b) as follows:

On page 3, line 8, delete the words "reinvestment zone" and substitute in lieu thereof "taxing jurisdiction".

ADOPTED

APR 23 1985

Betty Murray
Chief Clerk
House of Representatives
Amend House Bill 1320, Article 1, Section 4 as follows:

On page 4, line 27, delete the words "50 percent" and in lieu thereof add the words "60 percent."

ADOPTED

APR 23 1985

Chief Clerk
House of Representatives
Amend House Bill 1330, Article 1, on page 6, lines 2 through 20 shall be amended to read as follows:

Section 3. Spacing Requirements.

(a) An off-premise sign having a face area of 301 square feet or more may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(b) An off-premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100 square feet may not be erected within 300 feet of another off-premise sign on the same side of the roadway.

ADOPTED

APR 23 1983

Beate Hovland
Chief Clerk
House of Representatives
Amend House Bill 1330, "Article 3", by adding a new Subsection (f) to Section 9 to read as follows:

The Commission shall provide for a Board of Variance which may in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

ADOPTED

APR 23, 1985

Chief Clerk
House of Representatives
Amend House Bill 1330, Article 2, Section 10 as follows:

On page 10, line 7, add the following sentence:

"Except as authorized pursuant to this Act, no permit may be issued for an off-premise sign unless such sign is to be located within 800 feet of one or more recognized commercial or industrial business activities and located on the same side of the roadway as such business."

ADOPTED

APR 23 1985

Betty Muns"
Chief Clerk
House of Representatives
Amend House Bill 1330, Article 2, Section 13 as follows:
On page 11, line 24, strike the word "60th" and in lieu thereof add the word "120th"
COMMITTEE AMENDMENT NO. 87

Amend House Bill 1330, Article 2, Section 13 as follows:

On page 12, line 3, after the word "sign." add the following:

, provided however, the Commission may by regulation provide for a longer renewal period not to exceed five years.

ADOPTED

APR 23 1985

Betty M. Murray
Chief Clerk
House of Representatives
Amend H. B. 1330 on p. 10, line 21 by deleting "erected" and substituting "in existence".

ADOPTED

APR 23 1985

Betty Murray
Chief Clerk
House of Representatives
AMENDMENT

Amend H.B. 1330 as follows:

Page 3, delete line 27 through page 4 line 6.

ADOPTED

APR 23 1985

Chief Clerk
House of Representatives
Amend H. B. 1330 on page 12, line 10, be deleting "$200.00" and substitute "$1,000.00".

ADOPTED

APR 23 1985

Chief Clerk
House of Representatives
Amend H.B. 1330 Article 2 by adding a new Section 9A to read as follows:

9A. Regulation in City Extraterritorial Jurisdiction. Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as otherwise provided by law. However, any municipality, in lieu of such regulatory ordinances, may allow the commission to regulate outdoor signs in said city's extraterritorial jurisdiction by filing a written notice with the commission.

ADOPTED

APR 23 1985

Chief Clerk
House of Representatives
Amend H.B. 1330, Article 1 Section 3, Subsection (b) as follows:

On page 3, line 8 add the following sentence:

"In any municipality where tax abatement is utilized in order to pay compensable costs, such costs shall include reasonable interest and such abatement period shall not exceed five years."
Amend H.B. No. 1330 as follows:

1. On page 10, strike the sentence beginning on line 5 and substitute the following:

   A permit issued under this section is valid for one year. The commission by rule shall prescribe fees for the issuance of permits in amounts determined by the commission to be sufficient to enable the commission to recover the costs of enforcement of this article. Fees collected under this section shall be deposited in the state treasury and may be used only for the enforcement of this article.

2. On page 12, line 22, strike "All" and substitute "Except as provided by Section 10 of this article,\".

ADOPTED

APR 23 1965

Chief Clerk
House of Representatives
Amend H.B. No. 1330 as follows:

1. On page 12, line 4, insert "AND ADMINISTRATIVE" between "CIVIL" and "PENALTIES".

2. On page 12, line 9, insert "civil" between "the" and "penalty".

3. On page 12, line 10, strike "$200" and substitute "$1,000".

4. On page 12, line 11, insert "civil" between "separate" and "penalty".

5. On page 12, insert a new Subsection (c) to read as follows between lines 12 and 13 and reletter current Subsections (c) and (d) appropriately:

   (c) In lieu of a suit to collect a civil penalty, the commission may, after notice and an opportunity for hearing before the commission, assess an administrative penalty against a person who intentionally violates this article or a rule adopted by the commission under this article. The amount of an administrative penalty may not exceed the maximum amount of a civil penalty under this section. A continuing violation is subject to separate administrative penalties in the same manner as it is subject to separate civil penalties. A proceeding on the assessment of an administrative penalty under this subsection is a contested case for purposes of the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of the assessment of an administrative penalty under this subsection, the manner of review is by trial de novo.

6. On page 12, strike line 14 and substitute the following: 

   penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, is, or a judgment for an administrative penalty, was

7. On page 12, line 19, insert "and administrative" between "Civil" and "penalties".

ADOPTED

APR 23 1995

Chief Clerk

House of Representatives
Amend H.B. 1330 at page 8 by deleting line 18 through line 21, up to and including the words "high winds" on line 21.

ADOPTED

APR 23 1985

Chief Clerk
House of Representatives
House Floor Amendment No. 16

By Messer

Amend House Bill 1330 Article 2, Section 4 on page 7, line 4 by adding the following sentence:

Provided, however, one sign per location shall be exempted from the height restrictions of this section if such location is visible from the main-traveled way of an interstate or primary system as such terms are defined in Acts 1981, 67th Legislature, page 2710, Chapter 741 as amended (Article 4477-9a, V.T.C.S.).

ADOPTED

APR 23 1985

Betty Murray
Chief Clerk
House of Representatives
Amend H.B. 1330 by deleting the following after the word "apron" on page 7, line 13: ", or that has face dimensions that exceed 15 feet in height or 30 feet in width.".
Amend H.B. 1330 on page 5, line 22 by inserting the following after the word "a" and before the word "sign" when it appears for the second time on line 22: "free standing".

ADOPTED

AFR 23 1985

Betty Murray
Chief Clerk
House of Representatives
Amend H.B. 1330 on page 2, by striking Subsection (e) and by substituting new Subsections (e) and (f) to read as follows:

(e) For a sign that is required to be removed, compensable costs include the cash value of the sign, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(f) If a sign is required to be removed, the owner of the real property on which the sign was located is entitled to be compensated for the decrease in the value of the real property. The compensable cost is to be determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.
Amend House Bill 1330 on page 3, line 20 by adding the following sentence:

"The municipality may only use the proceeds from such bonds for the removal, relocation, or reconstruction of signs within the corporate limits of such municipality."
Amendment No. 21

Amend H.B. 1330 on page 8

line 26 by inserting the following between the word "sign" and the word "at":

"per each frontage on a single rural road"

ADOPTED

APR 23 1985

Betty Murray
Chief Clerk
House of Representatives
House Floor Amendment No. 22

Amend House Bill 1330, Article 1, Section 4 by adding a new subsection (d) on page 5 to read as follows:

"The requirements of this article do not apply to any sign which is:

(1) constructed between April 23, 1985, and September 1, 1985; and
(2) which does not conform to the standards prescribed by this Act on its effective date."

ADOPTED

APR 23 1985

Betty Murray
Chief Clerk
House of Representatives
By Messer, et al.

H.B. No. 1330

A BILL TO BE ENTITLED

AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform.

(2) "Municipality" means an incorporated city, town, or village, including a home-rule city.

SECTION 2. RELOCATION, RECONSTRUCTION, OR REMOVAL OF SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of this article, a municipality may require the relocation, reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated, reconstructed, or removed is entitled to be compensated by the municipality as provided by this section for costs associated with the relocation, reconstruction, or removal.

(c) For a sign that is required to be relocated, compensable costs include the expenses of dismantling the sign, transporting it to another site, and reerecting it, and the decrease in value of the property on which the sign was located, determined according to the standards and procedures applicable in a proceeding under
H.B. No. 1330

Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location. The owner is responsible for designating the alternative site. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign because of the reconstruction, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(e) For a sign that is required to be removed, compensable costs include the cash value of the sign, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(f) If a sign is required to be removed, the owner of the real property on which the sign was located is entitled to be compensated for the decrease in the value of the real property. The compensable cost is to be determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

SECTION 3. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 2 of this article, the
governing body of any municipality is authorized to utilize only
the following methods prescribed by this section, or a combination
of those methods.

(b) The municipality, acting pursuant to the Property
Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas
Civil Statutes), may abate municipal property taxes that otherwise
would be owed by the owner of a sign that is required to be
relocated or reconstructed. The abated taxes may be on any real or
personal property owned by the owner of the sign except residential
property. The right to the abatement of taxes is assignable by the
holder, and the assignee may use the right to abatement with
respect to taxes on any nonresidential property in the same taxing
jurisdiction. In any municipality where tax abatement is utilized
in order to pay compensable costs, such costs shall include
reasonable interest and such abatement period shall not exceed five
years.

(c) The municipality may allocate all or any part of the
municipal property taxes paid on signs, on the real property upon
which the signs are located, or on other real or personal property
owned by the owner of the sign to a special fund in the municipal
treasury, to be known as the sign abatement and community
beautification fund, and make payments from that fund to reimburse
compensable costs to owners of signs required to be relocated,
reconstructed, or removed.

(d) The municipality may provide for the issuance of sign
abatement revenue bonds and use the proceeds to make payments to
reimburse costs to the owners of signs required to be relocated,
reconstructed, or removed. The municipality may only use the
proceeds from such bonds for the removal, relocation, or
reconstruction of signs within the corporate limits of such
municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of
compensation is at issue and the compensation is to be provided
over a period longer than one year, the court shall consider
whether the duration of the period is reasonable under the
circumstances.

(g) If application of a municipal regulation would require
reconstruction of a sign in a manner that would make it ineffective
for its intended purpose, such as by substantially impairing the
sign's visibility, application of the regulation is treated as the
required removal of the sign for purposes of this article.

(h) In lieu of paying compensation, a city may exempt from
required relocation, reconstruction, or removal those signs
lawfully in place on the effective date of the requirement.

SECTION 4. EXCEPTIONS. (a) The requirements of this
article do not apply to any sign that was erected in violation of
local ordinances, laws, or regulations applicable at the time of
its erection.

(b) The requirements of this article do not apply to a sign
that, having been permitted to remain in place as a nonconforming
use, is required to be removed by a municipality because the sign,
or a substantial part of it, is blown down or otherwise destroyed
or dismantled for any purpose other than maintenance operations or
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1 for changing the letters, symbols, or other matter on the sign.
2
3 (c) For purposes of Subsection (b) of this section, a sign
4 or substantial part of it is considered to have been destroyed only
5 if the cost of repairing the sign is more than 60 percent of the
6 cost of erecting a new sign of the same type at the same location.
7
8 (d) The requirements of this article do not apply to any
9 sign which:
10
11 (1) is constructed between April 23, 1985, and September 1,
12 1985; and
13
14 (2) does not conform to the standards prescribed by this Act
15 on its effective date.
16
17 ARTICLE 2
18
19 SECTION 1. LEGISLATIVE INTENT. It is the intent of the
20 legislature to promote and control the reasonable, orderly, and
21 effective display of outdoor advertising on all highways and roads
22 located outside the corporate limits of cities, towns, and villages
23 in Texas to promote the recreational value of public travel, and to
24 preserve natural beauty.
25
26 SECTION 2. DEFINITIONS. In this article:
27
28 (1) "Commission" means the State Highway and Public
29 Transportation Commission.
30
31 (2) "Rural road" means a road, street, way, thoroughfare, or
32 bridge that is located in an unincorporated area and is not
33 privately owned or controlled, any part of which is open to the
34 public for vehicular traffic, and over which the state or any of
35 its political subdivisions have jurisdiction.
36
37 (3) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform and that is visible from the main-travelled way of a rural road.

(4) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or corporation.

(7) "Portable sign" means a sign designed to be mounted on a trailer, bench, wheeled carrier, or other nonmotorized mobile structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign having a face area of 301 square feet or more may not be erected within 1,500 feet of another off-premise sign on the same side of the roadway.

(b) An off-premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100 square feet may not be erected within 300 feet of another
off-premise sign on the same side of the roadway.

(d) For purposes of this section, each double-faced, back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in violation of this section because of their nearness to one another if they are located so that their messages are directed toward traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or off-premise sign may not be erected that exceeds an overall height of 42-1/2 feet, excluding cutouts extending above the rectangular border, measured from the highest point on the sign to the grade level of the roadway from which the sign is to be viewed. Provided, however, one sign per location shall be exempted from the height restrictions of this section if such location is visible from the main-travelled way of an interstate or primary system as such terms are defined in Chapter 741, Acts of the 67th Legislature, Regular Session, 1981 (Article 4477-9a, Vernon's Texas Civil Statutes). A roof sign having a tight or solid surface may not at any point exceed 24 feet above the roof level. Open roof signs in which the uniform open area is not less than 40 percent of total gross area may be erected to a height of 40 feet above the roof level. The lowest point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other than an on-premise wall sign, may not be erected that has a face area exceeding 400 square feet, including cutouts but excluding uprights, trim, and apron. An off-premise sign may not be erected
that has a face area exceeding 672 square feet, excluding cutouts, uprights, trim, and apron. Neither an on-premise nor an off-premise sign may have a cutout with an area larger than 20 percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a double-faced, back-to-back, or V-type nature, each face is considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE SIGNS. (a) Each on-premise or off-premise sign erected or sited must be designed to resist wind loads as follows:

<table>
<thead>
<tr>
<th>Height, in feet above ground, as measured above the average level of the ground adjacent to the structure</th>
<th>Pressure, pounds per square foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 30</td>
<td>20</td>
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<tr>
<td>31 - 50</td>
<td>25</td>
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<tr>
<td>51 - 99</td>
<td>35</td>
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<tr>
<td>100 - 199</td>
<td>45</td>
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<tr>
<td>200 - 299</td>
<td>50</td>
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<tr>
<td>300 - 399</td>
<td>55</td>
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<tr>
<td>400 - 500</td>
<td>60</td>
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<tr>
<td>501 - 800</td>
<td>70</td>
</tr>
<tr>
<td>Over 800</td>
<td>77</td>
</tr>
</tbody>
</table>
(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period.

(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article; or

(2) violates a commission rule adopted under this article.
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(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance which may, in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

SECTION 9A. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION. Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as otherwise provided by law. However, any municipality, in lieu of such regulatory ordinances, may allow the commission to regulate outdoor signs in said city's extraterritorial jurisdiction by filing a written notice with the commission.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled way of a rural road without having first obtained a permit from the department. A permit issued under this section is valid for one year. The commission by rule shall prescribe fees for the issuance of permits in amounts determined by the commission to be sufficient to enable the commission to recover the costs of enforcement of this article. Fees collected under this section shall be deposited
in the state treasury and may be used only for the enforcement of
this article. Except as authorized pursuant to this Act, no permit
may be issued for an off-premise sign unless such sign is to be
located within 800 feet of one or more recognized commercial or
industrial business activities and located on the same side of the
roadway as such business.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any
sign, or a substantial part of it, is blown down or otherwise
destroyed or taken down or removed for any purpose other than
maintenance operations or for changing the letters, symbols, or
other matter on the sign, it may not be reerected, reconstructed,
or rebuilt except in full conformance with the provisions and
requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 50 percent of the
cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from
this article:

(1) a sign in existence before the effective date of this
article;

(2) a sign that has as its purpose the protection of life
and property;

(3) a directional or other official sign authorized by law,
including a sign pertaining to natural wonders or scenic or
historic attractions;

(4) a sign or marker giving information about the location
of underground electric transmission lines, telegraph or telephone
properties and facilities, pipelines, public sewers, or waterlines;
(5) a sign erected by an agency of the state or a political
subdivision of the state; and
(6) a sign erected solely for and relating to a public
election, but only if:
(A) the sign is on private property;
(B) the sign is erected no sooner than the 60th day before
the election and is removed no later than the 10th day after the
election;
(C) the sign is constructed of lightweight material; and
(D) the surface area of the sign is not larger than 50
square feet.
(b) The following are exempt from the requirements of
Section 5 of this article:
(1) signs advertising the sale or lease of property on which
they are located; and
(2) on-premise wall signs.
(c) The exemption provided by Subsection (a)(1) of this
section does not exempt a sign from Section 13 of this article to
the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the
120th day after the effective date of this article each owner of an
off-premise sign erected before the effective date of this article
that is visible from the main-travelled way of a rural road shall
either remove the sign or register the sign with the commission.
The owner must pay a fee of $25 for each sign that is registered.
This registration is valid for one year, but is renewable for an annual fee of $10 a sign, provided however, the commission may by regulation provide for a longer renewal period not to exceed five years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A person who intentionally violates this article or a rule adopted by the commission under this article is liable to the state for a civil penalty. The attorney general or a county or district attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150 nor more than $1,000 for each violation, depending on the seriousness of the violation. A separate civil penalty may be collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the commission may, after notice and an opportunity for hearing before the commission, assess an administrative penalty against a person who intentionally violates this article or a rule adopted by the commission under this article. The amount of an administrative penalty may not exceed the maximum amount of a civil penalty under this section. A continuing violation is subject to separate administrative penalties in the same manner as it is subject to separate civil penalties. A proceeding on the assessment of an administrative penalty under this subsection is a contested case for purposes of the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of the assessment of an administrative penalty under this subsection, the manner of review is by trial de novo.
(d) If it is shown at the trial for collection of a civil penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, or a judgment for an administrative penalty, was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent violation the court shall order the revocation of any permit held by the person for the location at which the subsequent violation occurred.

(e) Civil and administrative penalties collected under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by Section 10 of this article, permit or registration fees collected by the commission under this article shall be deposited in the state treasury to the credit of the state highway fund.

ARTICLE 3

SECTION 1. Section 3, Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of
substandard, slum, deteriorated, or deteriorating structures;
predominance of defective or inadequate sidewalk or street layout;
faulty lot layout in relation to size, accessibility, or
usefulness; unsanitary or unsafe conditions; deterioration of site
or other improvements; tax or special assessment delinquency
exceeding the fair value of the land; defective or unusual
conditions of title; the existence of conditions that endanger life
or property by fire or other cause; or any combination of these
factors or conditions;

(2) be predominantly open and, because of obsolete platting
or deterioration of structures or site improvements, or other
factors, substantially impair or arrest the sound growth of the
city or town;

(3) be in a federally assisted new community located within
a home-rule city or in an area immediately adjacent to the
federally assisted new community;

(4) be located wholly within an area which meets the
requirements for federal assistance under Section 119 of the
Housing and Community Development Act of 1974; [er]

(5) encompass signs, billboards, and other outdoor
advertising structures designated by the governing body of the
incorporated city or town for relocation, reconstruction, or
removal for the purpose of enhancing the physical environment of
the city or town, which the legislature hereby declares to be a
public purpose; or

(6) be designated a local or state-federal enterprise zone
under the Texas Enterprise Zone Act.
(b) For the purposes of Subdivision (3) of Subsection (a) of this section, a federally assisted new community is a federally assisted area that received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act and a portion of the federally assisted area has received grants under Section 107(a)(1) of the Housing and Community Development Act of 1974.

(c) The governing body of an incorporated city or town may designate, by boundaries, as a reinvestment zone any area, or real or personal property whose use is directly related to the business of outdoor advertising, within the taxing jurisdiction of the city or town that the governing body finds to satisfy the requirements of Subsection (a) of this section, subject to the limitations set forth by Section 4 of this Act. The governing body of an incorporated city or town shall designate a reinvestment zone eligible for residential property tax abatement, or commercial-industrial tax abatement, or tax incentive financing as provided for in the Texas Tax Increment Financing Act of 1981 (Article 1066e, Vernon's Texas Civil Statutes) [56th Legislature, 1st Called Session, 1981].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 3(a) of Article 1, to the extent that provision excludes modes of compensation not specifically
authorized by that provision. If this exclusion of alternative
modes of compensation is for any reason held invalid by a final
judgment of a court of competent jurisdiction, the remainder of
this Act is void.

(b) Except as provided by Subsection (a) of this section,
this Act is severable as provided by Chapter 45, Acts of the 63rd
Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas
Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act
affects a court-approved settlement entered into before the
effective date of this Act in any litigation in a court of the
United States involving the validity of municipal regulation of
signs. To the extent a provision of this Act conflicts with the
terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended.
HOUSE
ENGROSSMENT

By Messer, et al. H.B. No. 1330

A BILL TO BE ENTITLED

AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform.

(2) "Municipality" means an incorporated city, town, or
village, including a home-rule city.

SECTION 2. RELOCATION, RECONSTRUCTION, OR REMOVAL OF
SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of
this article, a municipality may require the relocation,
reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated,
reconstructed, or removed is entitled to be compensated by the
municipality as provided by this section for costs associated with
the relocation, reconstruction, or removal.

(c) For a sign that is required to be relocated, compensable
costs include the expenses of dismantling the sign, transporting it
to another site, and reerecting it, and the decrease in value of
the property on which the sign was located, determined according to
the standards and procedures applicable in a proceeding under
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Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location. The owner is responsible for designating the alternative site. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign because of the reconstruction, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(e) For a sign that is required to be removed, compensable costs include the cash value of the sign, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(f) If a sign is required to be removed, the owner of the real property on which the sign was located is entitled to be compensated for the decrease in the value of the real property. The compensable cost is to be determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

SECTION 3. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 2 of this article, the
governing body of any municipality is authorized to utilize only
the following methods prescribed by this section, or a combination
of those methods.

(b) The municipality, acting pursuant to the Property
Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas
Civil Statutes), may abate municipal property taxes that otherwise
would be owed by the owner of a sign that is required to be
relocated or reconstructed. The abated taxes may be on any real or
personal property owned by the owner of the sign except residential
property. The right to the abatement of taxes is assignable by the
holder, and the assignee may use the right to abatement with
respect to taxes on any nonresidential property in the same taxing
jurisdiction. In any municipality where tax abatement is utilized
in order to pay compensable costs, such costs shall include
reasonable interest and such abatement period shall not exceed five
years.

(c) The municipality may allocate all or any part of the
municipal property taxes paid on signs, on the real property upon
which the signs are located, or on other real or personal property
owned by the owner of the sign to a special fund in the municipal
treasury, to be known as the sign abatement and community
beautification fund, and make payments from that fund to reimburse
compensable costs to owners of signs required to be relocated,
reconstructed, or removed.

(d) The municipality may provide for the issuance of sign
abatement revenue bonds and use the proceeds to make payments to
reimburse costs to the owners of signs required to be relocated,
reconstructed, or removed. The municipality may only use the
proceeds from such bonds for the removal, relocation, or
reconstruction of signs within the corporate limits of such
municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of
compensation is at issue and the compensation is to be provided
over a period longer than one year, the court shall consider
whether the duration of the period is reasonable under the
circumstances.

(g) If application of a municipal regulation would require
reconstruction of a sign in a manner that would make it ineffective
for its intended purpose, such as by substantially impairing the
sign's visibility, application of the regulation is treated as the
required removal of the sign for purposes of this article.

(h) In lieu of paying compensation, a city may exempt from
required relocation, reconstruction, or removal those signs
lawfully in place on the effective date of the requirement.

SECTION 4. EXCEPTIONS. (a) The requirements of this
article do not apply to any sign that was erected in violation of
local ordinances, laws, or regulations applicable at the time of
its erection.

(b) The requirements of this article do not apply to a sign
that, having been permitted to remain in place as a nonconforming
use, is required to be removed by a municipality because the sign,
or a substantial part of it, is blown down or otherwise destroyed
or dismantled for any purpose other than maintenance operations or
for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 60 percent of the
cost of erecting a new sign of the same type at the same location.
(d) The requirements of this article do not apply to any
sign which:
   (1) is constructed between April 23, 1985, and September 1,
       1985; and
   (2) does not conform to the standards prescribed by this Act
       on its effective date.

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the
legislature to promote and control the reasonable, orderly, and
effective display of outdoor advertising on all highways and roads
located outside the corporate limits of cities, towns, and villages
in Texas to promote the recreational value of public travel, and to
preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:
   (1) "Commission" means the State Highway and Public
       Transportation Commission.
   (2) "Rural road" means a road, street, way, thoroughfare, or
       bridge that is located in an unincorporated area and is not
       privately owned or controlled, any part of which is open to the
       public for vehicular traffic, and over which the state or any of
       its political subdivisions have jurisdiction.
   (3) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform and that is visible from the main-travelled way of a rural road.

(4) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or corporation.

(7) "Portable sign" means a sign designed to be mounted on a trailer, bench, wheeled carrier, or other nonmotorized mobile structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign having a face area of 301 square feet or more may not be erected within 1,500 feet of another off-premise sign on the same side of the roadway.

(b) An off-premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100 square feet may not be erected within 300 feet of another
off-premise sign on the same side of the roadway.

(d) For purposes of this section, each double-faced, back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in violation of this section because of their nearness to one another if they are located so that their messages are directed toward traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or off-premise sign may not be erected that exceeds an overall height of 42-1/2 feet, excluding cutouts extending above the rectangular border, measured from the highest point on the sign to the grade level of the roadway from which the sign is to be viewed. Provided, however, one sign per location shall be exempted from the height restrictions of this section if such location is visible from the main-travelled way of an interstate or primary system as such terms are defined in Chapter 741, Acts of the 67th Legislature, Regular Session, 1981 (Article 4477-9a, Vernon's Texas Civil Statutes). A roof sign having a tight or solid surface may not at any point exceed 24 feet above the roof level. Open roof signs in which the uniform open area is not less than 40 percent of total gross area may be erected to a height of 40 feet above the roof level. The lowest point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other than an on-premise wall sign, may not be erected that has a face area exceeding 400 square feet, including cutouts but excluding uprights, trim, and apron. An off-premise sign may not be erected
that has a face area exceeding 672 square feet, excluding cutouts, uprights, trim, and apron. Neither an on-premise nor an off-premise sign may have a cutout with an area larger than 20 percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a double-faced, back-to-back, or V-type nature, each face is considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE SIGNS. (a) Each on-premise or off-premise sign erected or sited must be designed to resist wind loads as follows:

WIND LOAD PRESSURES IN POUNDS PER SQUARE FOOT FOR ALL SIGNS

<table>
<thead>
<tr>
<th>Height, in feet above ground, as measured above the average level of the ground adjacent to the structure</th>
<th>Pressure, pounds per square foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 30</td>
<td></td>
</tr>
<tr>
<td>31 - 50</td>
<td></td>
</tr>
<tr>
<td>51 - 99</td>
<td></td>
</tr>
<tr>
<td>100 - 199</td>
<td></td>
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<tr>
<td>200 - 299</td>
<td></td>
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<tr>
<td>300 - 399</td>
<td></td>
</tr>
<tr>
<td>400 - 500</td>
<td></td>
</tr>
<tr>
<td>501 - 800</td>
<td></td>
</tr>
<tr>
<td>Over 800</td>
<td></td>
</tr>
</tbody>
</table>
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(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period.

(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article; or

(2) violates a commission rule adopted under this article.
(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance which may, in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

SECTION 9A. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION. Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as otherwise provided by law. However, any municipality, in lieu of such regulatory ordinances, may allow the commission to regulate outdoor signs in said city's extraterritorial jurisdiction by filing a written notice with the commission.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled way of a rural road without having first obtained a permit from the department. A permit issued under this section is valid for one year. The commission by rule shall prescribe fees for the issuance of permits in amounts determined by the commission to be sufficient to enable the commission to recover the costs of enforcement of this article. Fees collected under this section shall be deposited
in the state treasury and may be used only for the enforcement of
this article. Except as authorized pursuant to this Act, no permit
may be issued for an off-premise sign unless such sign is to be
located within 800 feet of one or more recognized commercial or
industrial business activities and located on the same side of the
roadway as such business.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any
sign, or a substantial part of it, is blown down or otherwise
destroyed or taken down or removed for any purpose other than
maintenance operations or for changing the letters, symbols, or
other matter on the sign, it may not be reerected, reconstructed,
or rebuilt except in full conformance with the provisions and
requirements of this article.
(b) For purposes of Subsection (a) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 50 percent of the
cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from
this article:
(1) a sign in existence before the effective date of this
article;
(2) a sign that has as its purpose the protection of life
and property;
(3) a directional or other official sign authorized by law,
including a sign pertaining to natural wonders or scenic or
historic attractions;
(4) a sign or marker giving information about the location
of underground electric transmission lines, telegraph or telephone
properties and facilities, pipelines, public sewers, or waterlines;

(5) a sign erected by an agency of the state or a political
subdivision of the state; and

(6) a sign erected solely for and relating to a public
election, but only if:

(A) the sign is on private property;

(B) the sign is erected no sooner than the 60th day before
the election and is removed no later than the 10th day after the
election;

(C) the sign is constructed of lightweight material; and

(D) the surface area of the sign is not larger than 50
square feet.

(b) The following are exempt from the requirements of
Section 5 of this article:

(1) signs advertising the sale or lease of property on which
they are located; and

(2) on-premise wall signs.

(c) The exemption provided by Subsection (a)(1) of this
section does not exempt a sign from Section 13 of this article to
the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the
120th day after the effective date of this article each owner of an
off-premise sign erected before the effective date of this article
that is visible from the main-travelled way of a rural road shall
either remove the sign or register the sign with the commission.
The owner must pay a fee of $25 for each sign that is registered.
This registration is valid for one year, but is renewable for an
annual fee of $10 a sign, provided however, the commission may by
regulation provide for a longer renewal period not to exceed five
years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A
person who intentionally violates this article or a rule adopted by
the commission under this article is liable to the state for a
civil penalty. The attorney general or a county or district
attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150
nor more than $1,000 for each violation, depending on the
seriousness of the violation. A separate civil penalty may be
collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the
commission may, after notice and an opportunity for hearing before
the commission, assess an administrative penalty against a person
who intentionally violates this article or a rule adopted by the
commission under this article. The amount of an administrative
penalty may not exceed the maximum amount of a civil penalty under
this section. A continuing violation is subject to separate
administrative penalties in the same manner as it is subject to
separate civil penalties. A proceeding on the assessment of an
administrative penalty under this subsection is a contested case
for purposes of the Administrative Procedure and Texas Register Act
(Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of
the assessment of an administrative penalty under this subsection,
the manner of review is by trial de novo.
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(d) If it is shown at the trial for collection of a civil penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, or a judgment for an administrative penalty, was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent violation the court shall order the revocation of any permit held by the person for the location at which the subsequent violation occurred.

(e) Civil and administrative penalties collected under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by Section 10 of this article, permit or registration fees collected by the commission under this article shall be deposited in the state treasury to the credit of the state highway fund.

ARTICLE 3

SECTION 1. Section 3, Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of
H.B. No. 1330

substandard, slum, deteriorated, or deteriorating structures;
predominance of defective or inadequate sidewalk or street layout;
faulty lot layout in relation to size, accessibility, or
usefulness; unsanitary or unsafe conditions; deterioration of site
or other improvements; tax or special assessment delinquency
exceeding the fair value of the land; defective or unusual
conditions of title; the existence of conditions that endanger life
or property by fire or other cause; or any combination of these
factors or conditions;

(2) be predominantly open and, because of obsolete platting
or deterioration of structures or site improvements, or other
factors, substantially impair or arrest the sound growth of the
city or town;

(3) be in a federally assisted new community located within
a home-rule city or in an area immediately adjacent to the
federally assisted new community;

(4) be located wholly within an area which meets the
requirements for federal assistance under Section 119 of the
Housing and Community Development Act of 1974; [er]

(5) encompass signs, billboards, and other outdoor
advertising structures designated by the governing body of the
incorporated city or town for relocation, reconstruction, or
removal for the purpose of enhancing the physical environment of
the city or town, which the legislature hereby declares to be a
public purpose; or

(6) be designated a local or state-federal enterprise zone
under the Texas Enterprise Zone Act.
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(b) For the purposes of Subdivision (3) of Subsection (a) of this section, a federally assisted new community is a federally assisted area that received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act and a portion of the federally assisted area has received grants under Section 107(a)(1) of the Housing and Community Development Act of 1974.

(c) The governing body of an incorporated city or town may designate, by boundaries, as a reinvestment zone any area, or real or personal property whose use is directly related to the business of outdoor advertising, within the taxing jurisdiction of the city or town that the governing body finds to satisfy the requirements of Subsection (a) of this section, subject to the limitations set forth by Section 4 of this Act. The governing body of an incorporated city or town shall designate a reinvestment zone eligible for residential property tax abatement, or commercial-industrial tax abatement, or tax incentive financing as provided for in the Texas Tax Increment Financing Act of 1981 (Article 1066e, Vernon's Texas Civil Statutes) [S.B. No. --167--67th Legislature-1st-Called-Session-1981].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 3(a) of Article 1, to the extent that provision excludes modes of compensation not specifically
authorized by that provision. If this exclusion of alternative
modes of compensation is for any reason held invalid by a final
judgment of a court of competent jurisdiction, the remainder of
this Act is void.

(b) Except as provided by Subsection (a) of this section,
this Act is severable as provided by Chapter 45, Acts of the 63rd
Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas
Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act
affects a court-approved settlement entered into before the
effective date of this Act in any litigation in a court of the
United States involving the validity of municipal regulation of
signs. To the extent a provision of this Act conflicts with the
terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended.
Honorale Pete Laney, Chair
Committee on State Affairs
House of Representatives
Austin, Texas


In Re: House Bill No. 1330,
as amended
By: Messer

Sir:

In response to your request for a Fiscal Note on House Bill No. 1330, as amended (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

The bill would also authorize the State Department of Highways and Public Transportation to control and issue sign permits and renewals on all state and state political subdivision roads. Currently, the department only issues permits on interstate and federal aid primary roads and does not require renewal of permits.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Probable Administrative Cost Out of the State Highway Fund</th>
<th>Probable Revenue Gain to the State Highway Fund</th>
<th>Change in Number of State Employees from FY 1985</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>$776,364</td>
<td>$776,364</td>
<td>+ 24</td>
</tr>
<tr>
<td>1987</td>
<td>776,364</td>
<td>776,364</td>
<td>+ 24</td>
</tr>
<tr>
<td>1988</td>
<td>776,364</td>
<td>776,364</td>
<td>+ 24</td>
</tr>
<tr>
<td>1989</td>
<td>776,364</td>
<td>776,364</td>
<td>+ 24</td>
</tr>
<tr>
<td>1990</td>
<td>776,364</td>
<td>776,364</td>
<td>+ 24</td>
</tr>
</tbody>
</table>

Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, LV
By: Messer, et al. (Senate Sponsor - Uribe)  
H.B. No. 1330  
(In the Senate - Received from the House April 25, 1985;  
April 29, 1985, read first time and referred to Committee on State  
Affairs; May 21, 1985, reported adversely, with favorable Committee  
Substitute; May 21, 1985, sent to printer.)

COMMITTEE SUBSTITUTE FOR H.B. No. 1330  
By: McFarland

A BILL TO BE ENTITLED
AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. LEGISLATIVE INTENT. (a) This article is not  
intended to require a municipality to provide for the relocation,  
reconstruction, or removal of any sign in the municipality, nor is  
it intended to prohibit a municipality from requiring the  
relocation, reconstruction, or removal of any sign. This article  
is intended only to authorize a municipality to take that action  
and to establish the procedure by which the municipality may do so.

(b) This article is not intended to require a municipality  
to make a cash payment to compensate the owner of a sign that the  
municipality requires to be relocated, reconstructed, or removed.  
Cash payment is established as one of several methods from which  
the municipality may choose in compensating the owner of a  

(c) This article is not intended to affect any eminent  
domain proceeding in which the taking of a sign is only an  
incidental part of the exercise of the eminent domain power.

SECTION 2. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light  
device, figure, painting, drawing, message, plague, poster,  
billboard, or other thing that is designed, intended, or used to  
advertise or inform.

(2) "On-premise sign" means a freestanding sign identifying  
or advertising a business, person, or activity, and installed and  
maintained on the same premises as the business, person, or  
activity.

(3) "Off-premise sign" means a sign displaying advertising  
copy that pertains to a business, person, organization, activity,  
event, place, service, or product not principally located or  

(4) "Municipality" means an incorporated city, town, or  
village, including a home-rule city.

SECTION 3. MUNICIPAL BOARD. (a) If a municipality requires  
the relocation, reconstruction, or removal of a sign within its  
corporate limits, the presiding officer of the governing body of  
the municipality shall appoint a municipal board on sign control.  
The board must be composed of the following persons:

(1) two persons who must be real estate appraisers  
registered with the Society of Real Estate Appraisers;

(2) one person who must be engaged in the sign business in  
the municipality;

(3) one person who must be an employee of the State  
Department of Highways and Public Transportation and must be  
familiar with real estate valuations in eminent domain proceedings;  

(4) one person who must be an architect or a landscape  
architect licensed by this state.

(b) A member of the board is appointed for a term of two  
years.  

(c) The board has the powers and duties given to it by this  
article.

SECTION 4. RELOCATION, RECONSTRUCTION, OR REMOVAL OF  
SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of  
this article, a municipality may require the relocation,  
reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated,  
reconstructed, or removed is entitled to be compensated by the
municipality as provided by this section for costs associated with
the relocation, reconstruction, or removal. The municipal board on
sign control shall determine under this section the amount of the
compensation. The determination shall be made after the owner of
the sign is given the opportunity for a hearing before the board
about the issues involved in the matter.
(c) For a sign that is required to be relocated, compensable
costs include the expenses of dismantling the sign, transporting it
to another site, and reerecting it, determined according to the
standards and procedures applicable in a proceeding under Chapter
21, Property Code. In addition, the municipality shall issue to
the owner an appropriate permit or other authority to operate at an
alternative site of substantially equivalent value a substitute
sign of the same type and compensate the owner for any increased
operating costs (including increased rent) at the new location.
The owner is responsible for designating the alternative site.
Whether an alternative site is of substantially equivalent value is
determined by standards generally accepted in the outdoor
advertising industry, including visibility, traffic count, and
demographic factors.
(d) For a sign that is required to be reconstructed,
compensable costs include expenses of labor and materials and any
loss in the value of the sign because of the reconstruction,
determined according to standards and procedures applicable in a
proceeding under Chapter 21, Property Code.
(e)(1) For an off-premise sign that is required to be
removed, the compensable cost is an amount computed by determining
the average annual gross revenue received by the owner from the
sign during the two years immediately preceding the month in which
the removal date for the sign occurs and by multiplying that amount
by three. If the sign has not been in existence for the entire
two-year period, the compensable cost is an amount computed by
dividing 12 by the number of months that the sign has been in
existence, multiplying that result by the total amount of the gross
revenue received for the period that the sign has been in
existence, and multiplying that result by three. In determining
the amounts under this paragraph, a sign is treated as if it were
in existence for the entire month if it was in existence for more
than 15 days of the month and is treated as if it were not in
existence for any part of the month if it was in existence for 15
or fewer days of the month.
(2) For an on-premise sign that is required to be removed,
the compensable cost is an amount computed by determining a
reasonable balance between the original cost of the sign, less
depreciation, and the current replacement cost of the sign, less an
adjustment for the present age and condition of the sign.
(f) If a sign is required to be removed, the owner of the
real property on which the sign was located is entitled to be
compensated for the decrease in the value of the real property.
The compensable cost is to be determined according to standards and
procedures applicable in a proceeding under Chapter 21, Property
Code.

SECTION 5. METHOD OF COMPENSATION. (a) In order to pay the
compensable costs required under Section 4 of this article, the
governing body of any municipality is authorized to utilize only
the following methods prescribed by this section, or a combination
of those methods.
(b) The municipality, acting pursuant to the Property
Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas
Civil Statutes), may abate municipal property taxes that otherwise
would be owed by the owner of a sign that is required to be
relocated or reconstructed. The abated taxes may be on any real or
personal property owned by the owner of the sign except residential
property. The right to the abatement of taxes is assignable by the
holder, and the assignee may use the right to abatement with
respect to taxes on any nonresidential property in the same taxing
jurisdiction. In any municipality where tax abatement is utilized
in order to pay compensable costs, such costs shall include
reasonable interest and such abatement period shall not exceed five
years.
(c) The municipality may allocate all or any part of the
municipal property taxes paid on signs, on the real property upon
which the signs are located, or on other real or personal property
owned by the owner of the sign to a special fund in the municipal
treasury, to be known as the sign abatement and community
beautification fund, and make payments from that fund to reimburse
compensable costs to owners of signs required to be relocated,
reconstructed, or removed.
(d) The municipality may provide for the issuance of sign
abatement revenue bonds and use the proceeds to make payments to
reimburse costs to the owners of signs required to be relocated,
reconstructed, or removed. The municipality may only use the
proceeds from such bonds for the removal, relocation, or
reconstruction of signs within the corporate limits of such
municipality.
(e) The municipality may pay compensable costs in cash.
(f) In any proceeding in which the reasonableness of
compensation is at issue and the compensation is to be provided
over a period longer than one year, the court shall consider
whether the duration of the period is reasonable under the
circumstances.
(g) If application of a municipal regulation would require
reconstruction of a sign in a manner that would make it ineffective
for its intended purpose, such as by substantially impairing the
sign's visibility, application of the regulation is treated as the
required removal of the sign for purposes of this article.
(h) In lieu of paying compensation, a city may exempt from
required relocation, reconstruction, or removal those signs
lawfully in place on the effective date of the requirement.

SECTION 6. SPECIAL PROVISIONS FOR SIGNS UNDER SIGN ORDINANCE
ON CERTAIN DATES. (a) If, on June 1, 1985, a municipality has in
effect an ordinance requiring the relocation, reconstruction, or
removal of any sign and if the ordinance provides for compensating
a sign owner under an amortization plan, the compensation for a
sign's relocation, reconstruction, or removal is to be determined
under this section instead of under Section 4 of this article.
(b) The municipal board on sign control shall compile a list
of the signs that, on September 1, 1985, are not in compliance with
the sign ordinance. The board shall compile the list before
December 1, 1985.
(c) Before December 15, 1985, the board shall have made a
diligent effort to mail a written notice to the owner of each sign
on the list. The notice must be sent through the United States
Post Office. The notice must state that the sign is on the list
of signs that are not in compliance with the sign ordinance, must
describe the sign by general type and by location, and must
describe the action that is required of the owner under Subsection
(d) of this section. If either the identification of an owner of a
sign on the list or the address of the owner cannot be determined
by the board after the board has made a diligent effort to do so,
the board, before December 15, 1985, shall cause a notice to be
published in a newspaper of general circulation in the
municipality. The newspaper notice must contain information
similar to that required to be in the personal written notice.
(d) Before February 1, 1986, the owner of a sign that is on
the list compiled by the board shall file with the board a record
of the owner's signs that the owner determines cannot be brought into
compliance with the sign ordinance at a cost of 15 percent or less
of the value of the sign and also shall file another record of the
signs that the owner determines cannot be brought into compliance
at that cost. If an owner fails to file the required information
about a sign, the board shall treat the sign as if the owner had
recorded it as being unable to be brought into compliance at the
cost of 15 percent or less.
(e) Before March 15, 1986, the board shall verify the
records filed with the board under Subsection (d) of this section.
If the board questions an owner's determination made under
Subsection (d), the board shall obtain three competitive bids
regarding the cost at which the sign can be brought into compliance
with the sign ordinance. After receiving the bids, the board may
make its own determination regarding the sign. The verification,  
including any determination the board may make as authorized by  
this subsection, may be made only after the owner of the signs is  
given an opportunity for a hearing before the board about the  
issues involved in the matter. As part of the verification process  
the board shall appraise the value of the signs at market value.  

(g) Of an owner’s signs that the board verifies can be  
brought into compliance at the cost of 30 percent or less, the  
board shall permit the owner to keep one-half of those signs as  
nonconforming uses and shall require the other one-half to be  
brought into compliance at no cost to the municipality. If an  
owner has an odd number of signs involved, the one additional sign  
that prevents an exact one-half division shall be added to the  
number of signs permitted as nonconforming uses. In making its  
determination of which signs to permit as nonconforming uses and  
which to require to be brought into compliance, the board shall  
consider the requests of the owner and shall consider other  
relevant factors, including factors such as geography, density,  
value, traffic flow, and cost of compliance.  

(g) The signs that are required to be brought into  
compliance are subject to the following schedule:  

(1) one-third of those signs must be brought into compliance  
before July 1, 1986;  
(2) another one-third of those signs must be brought into  
compliance before July 1, 1987; and  
(3) the remaining one-third must be brought into compliance  
before July 1, 1988.  

(h) For signs that the board verifies cannot be brought into  
compliance at the cost of 15 percent or less, the board shall  
determine the entire useful life of those signs by type or  
category, such as the categories of mono-pole signs, metal signs,  
and wood signs. For those signs, the governing body of the  
municipality may:  

(1) permit the signs to be kept in place as nonconforming  
uses for a period computed by taking the entire useful life of the  
sign, subtracting from that useful life the period that the sign  
has been under the municipality's amortization plan, and  
multiplying that result by 65 percent; or  
(2) pay the sign owner, by one of the methods described by  
Section 5 of this article, 65 percent of the compensable costs of  
the relocation, reconstruction, or removal of the sign, as those  
costs are determined under Section 4 of this article  

(i) For each sign that cannot be brought into compliance at  
the cost of 15 percent or less, the board shall file with the  
appropriate property tax appraisal office the board's market value  
appraisal of the sign. The board shall file the information on or  
before March 15, 1986. The appraisal office shall consider the  
board’s appraisal when the office, for property tax purposes,  
determines in 1986 and later years the appraised value of the real  
property to which the sign is attached.  

SECTION 7. EXCEPTIONS. (a) The requirements of this  
article do not apply to any sign that was erected in violation of  
local ordinances, laws, or regulations applicable at the time of  
it's erection.  

(b) The requirements of this article do not apply to a sign  
that, having been permitted to remain in place as a nonconforming  
use, is required to be removed by a municipality because the sign,  
or a substantial part of it, is blown down or otherwise destroyed  
or dismantled for any purpose other than maintenance operations or  
for changing the letters, symbols, or other matter on the sign.  

(c) For purposes of Subsection (b) of this section, a sign  
or substantial part of it is considered to have been destroyed only  
if the cost of repairing the sign is more than 60 percent of the  
cost of erecting a new sign of the same type at the same location.  

(d) This article does not apply to an off-premise sign that  
is erected and maintained in compliance with the highway  
beautification provisions contained in Article IV, Texas Litter  
Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes).  

ARTICLE 2  

SECTION 1. LEGISLATIVE INTENT. It is the intent of the
legislature to promote and control the reasonable, orderly, and
effective display of outdoor advertising on all highways and roads
located outside the corporate limits of cities, towns, and villages
in Texas to promote the recreational value of public travel, and to
preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:
(1) "Commission" means the State Highway and Public
Transportation Commission.
(2) "Rural road" means a road, street, way, thoroughfare, or
bridge that is located in an unincorporated area and is not
privately owned or controlled, any part of which is open to the
public for vehicular traffic, and over which the state or any of
its political subdivisions have jurisdiction.
(3) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform and that is visible from the main-traveled way
of a rural road.
(4) "On-premise sign" means a freestanding sign identifying
or advertising a business, person, or activity, and installed and
maintained on the same premises as the business, person, or
activity.
(5) "Off-premise sign" means a sign displaying advertising
copy 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.
(6) "Person" means an individual, association, or
corporation.
(7) "Portable sign" means a sign designed to be mounted on a
trailer, bench, wheeled carrier, or other nonmotorized mobile
structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign
having a face area of 301 square feet or more may not be erected
within 1,500 feet of another off-premise sign on the same side of
the roadway.
(b) An off-premise sign having a face area of at least 100
but less than 301 square feet may not be erected within 500 feet of
another off-premise sign on the same side of the roadway.
(c) An off-premise sign having a face area of less than 100
square feet may not be erected within 300 feet of another
off-premise sign on the same side of the roadway.
(d) For purposes of this section, each double-faced,
back-to-back, or V-type sign is treated as a single sign.
(e) Signs located at the same intersection are not in
violation of this section because of their nearness to one another
if they are located so that their messages are directed toward
traffic flows in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or
off-premise sign may not be erected that exceeds an overall height
of 42-1/2 feet, excluding cutouts extending above the rectangular
border, measured from the highest point on the sign to the grade
level of the roadway from which the sign is to be viewed. A roof
sign having a tight or solid surface may not at any point exceed 24
feet above the roof level. Open roof signs in which the uniform
open area is not less than 40 percent of total gross area may be
erected to a height of 40 feet above the roof level. The lowest
point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other
than an on-premise wall sign, may not be erected that has a face
area exceeding 400 square feet, including cutouts but excluding
uprights, trim, and apron. An off-premise sign may not be erected
that has a face area exceeding 672 square feet, excluding cutouts,
uprights, trim, and apron. Neither an on-premise nor an
off-premise sign may have a cutout with an area larger than 20
percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a
double-faced, back-to-back, or V-type nature, each face is
considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE
SIGNs. (a) Each on-premise or off-premise sign erected or sited must be designed to resist wind loads as follows:

WIND LOAD PRESSURES IN POUNDS PER SQUARE FOOT FOR ALL SIGNS

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<th>Height, in feet</th>
<th>Pressure, pounds per square foot</th>
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<td>400 - 500</td>
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<td>501 - 800</td>
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</tr>
<tr>
<td>Over 800</td>
<td>77</td>
</tr>
</tbody>
</table>

(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period. Any person engaged primarily in the business of erecting signs that advertise companies located or products sold on the premises on which the signs are erected must file with the commission a surety bond in the amount of at least $100,000 and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by the person; a person may not be exempted from this requirement.

(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article;

or

(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance which may, in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

SECTION 9A. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION. Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as otherwise provided by law. However, any municipality, in lieu of such regulatory ordinances, may allow the commission to regulate outdoor signs in
said city's extraterritorial jurisdiction by filing a written notice with the commission.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled way of a rural road without having first obtained a permit from the commission. A permit issued under this section is valid for one year. The commission by rule shall prescribe fees for the issuance of permits in amounts determined by the commission to be sufficient to enable the commission to recover the costs of enforcement of this article. Fees collected under this section shall be deposited in the state treasury and may be used only for the enforcement of this article. Except as authorized pursuant to this Act, no permit may be issued for an off-premise sign unless such sign is to be located within 800 feet of one or more recognized commercial or industrial business activities and located on the same side of the roadway as such business.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any sign, or a substantial part of it, is blown down or otherwise destroyed or taken down or removed for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign, it may not be reerected, reconstructed, or rebuilt except in full conformance with the provisions and requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from this article:

(1) a sign the erection and maintenance of which is allowed under the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes);

(2) a sign in existence before the effective date of this article;

(3) a sign that has as its purpose the protection of life and property;

(4) a directional or other official sign authorized by law, including a sign pertaining to natural wonders or scenic or historic attractions;

(5) a sign or marker giving information about the location of underground electric transmission lines, telephone or telegraph properties and facilities, pipelines, public sewers, or waterlines;

(6) a sign erected by an agency of the state or a political subdivision of the state; and

(7) a sign erected solely for and relating to a public election, but only if:

(A) the sign is on private property;

(B) the sign is erected no sooner than the 60th day before the election and is removed no later than the 10th day after the election;

(C) the sign is constructed of lightweight material; and

(D) the surface area of the sign is not larger than 50 square feet.

(b) The following are exempt from the requirements of Section 5 of this article:

(1) signs advertising the sale or lease of property on which they are located; and

(2) on-premise wall signs.

(c) The exemption provided by Subsection (a)(2) of this section does not exempt a sign from Section 13 of this article to the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the 120th day after the effective date of this article each owner of an off-premise sign erected before the effective date of this article that is visible from the main-travelled way of a rural road shall either remove the sign or register the sign with the commission. The owner must pay a fee of $25 for each sign that is registered. This registration is valid for one year, but is renewable for an annual fee of $10 a sign, provided however, the commission may by
regulation provide for a longer renewal period not to exceed five
years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A
person who intentionally violates this article or a rule adopted by
the commission under this article is liable to the state for a
civil penalty. The attorney general or a county or district
attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150
nor more than $1,000 for each violation, depending on the
seriousness of the violation. A separate civil penalty may be
collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the
commission may, after notice and an opportunity for hearing before
the commission, assess an administrative penalty against a person
who intentionally violates this article or a rule adopted by the
commission under this article. The amount of an administrative
penalty may not exceed the maximum amount of a civil penalty under
this section. A continuing violation is subject to separate
administrative penalties in the same manner as it is subject to
separate civil penalties. A proceeding on the assessment of an
administrative penalty under this subsection is a contested case
for purposes of the Administrative Procedure and Texas Register Act
(Article 6252-13a, Vernon’s Texas Civil Statutes). On appeal of
the assessment of an administrative penalty under this subsection,
the manner of review is by trial de novo.

(d) If it is shown at the trial for collection of a civil
penalty under this section or on appeal of an administrative
penalty under this section that a judgment for a civil penalty, or
a final order, not timely appealed, or a judgment for an
administrative penalty, was previously assessed against the person,
in addition to any penalty that may be assessed for the subsequent
violation, the court shall order the revocation of any permit held
by the person for the location at which the subsequent violation
occurred.

(e) Civil and administrative penalties collected under this
article shall be deposited in the state treasury to the credit of
the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by
Section 10 of this article, permit or registration fees collected
by the commission under this article shall be deposited in the
state treasury to the credit of the state highway fund.

SECTION 16. AUTHORITY OF CERTAIN COUNTIES OVER OFF-PREMISE
PORTABLE SIGNS. (a) Notwithstanding any other provision of this
article, the commissioners court of a county with a population of
1.7 million or more, according to the most recent federal census,
has exclusive authority to prohibit off-premise portable signs in
the unincorporated area of the county and to regulate the following
matters in that area:

(1) the location, height, size, and anchoring of off-premise
portable signs; and
(2) other matters relating to the use of off-premise
portable signs.

(b) If a county prohibition or regulation adopted under this
section conflicts with state law or with a rule adopted under state
law by a state agency, the county prohibition or regulation
prevails.

(c) The appropriate attorney representing the county in the
district court may seek injunctive relief to prevent the violation
or threatened violation of a prohibition or regulation adopted
under this section.

(d) The commissioners court may define an offense for the
violation of a prohibition or regulation adopted under this
section. If the commissioners court defines an offense, the
offense is a Class C misdemeanor. The offense is prosecuted in the
same manner as an offense defined by state law.

ARTICLE 3

SECTION 1. Section 3, Property Redevelopment and Tax
Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is
amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be
designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a
city or town, retard the provision of housing accommodations, or
constitute an economic or social liability and be a menace to the
public health, safety, morals, or welfare in its present condition
and use by reason of the presence of a substantial number of
substandard, slum, deteriorated, or deteriorating structures;
predominance of defective or inadequate sidewalk or street layout;
faulty lot layout in relation to size, accessibility, or
usefulness; unsanitary or unsafe conditions; deterioration of site
or other improvements; tax or special assessment delinquency
exceeding the fair value of the land; defective or unusual
conditions of title; the existence of conditions that endanger life
or property by fire or other cause; or any combination of these
factors or conditions;

(2) be predominantly open and, because of obsolete platting
or deterioration of structures or site improvements, or other
factors, substantially impair or arrest the sound growth of the
city or town;

(3) be in a federally assisted new community located within
a home-rule city or in an area immediately adjacent to the
federally assisted new community;

(4) be located wholly within an area which meets the
requirements for federal assistance under Section 119 of the
Housing and Community Development Act of 1974; [en]

(5) encompass signs, billboards, and other outdoor
advertising structures designed by the governing body of the
incorporated city or town for relocation, reconstruction, or
removal for the purpose of enhancing the physical environment of
the city or town, which the legislature hereby declares to be a
public purpose; or

(b) be designated a local or state-federal enterprise zone
under the Texas Enterprise Zone Act.

(b) For the purposes of Subdivision (3) of Subsection (a) of
this section, a federally assisted new community is a federally
assisted area that received or will receive assistance in the form
of loan guarantees under Title X of the National Housing Act and a
portion of the federally assisted area has received grants under
Section 107(a)(1) of the Housing and Community Development Act of
1974.

(c) The governing body of an incorporated city or town may
designate, by boundaries, as a reinvestment zone any area, or real
or personal property whose use is directly related to the business
of outdoor advertising, within the taxing jurisdiction of the city
or town that the governing body finds to satisfy the requirements
of Subsection (a) of this section, subject to the limitations set
forth by Section 4 of this Act. The governing body of an
incorporated city or town shall designate a reinvestment zone
eligible for residential property tax abatement, or
commercial-industrial tax abatement, or tax incentive financing as
provided for in the Texas Tax Increment Financing Act of 1981
(Article 1066e, Vernon's Texas Civil Statutes) [55-B--No.-167-67th
Legislature--1st-Called-Session--1981].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September
1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The
legislature declares that it would not have enacted this Act
without the inclusion of Section 5(a) of Article 1, to the extent
that provision excludes modes of compensation not specifically
authorized by that provision. If this exclusion of alternative
modes of compensation is for any reason held invalid by a final
judgment of a court of competent jurisdiction, the remainder of
this Act is void.

(b) Except as provided by Subsection (a) of this section,
this Act is severable as provided by Chapter 45, Acts of the 63rd
Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas
Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act
affects a court-approved settlement entered into before the
C.S.H.B. No. 1330

effective date of this Act in any litigation in a court of the
United States involving the validity of municipal regulation of
signs. To the extent a provision of this Act conflicts with the
terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended.

* * * * *

Austin, Texas
May 21, 1985

Hon. William P. Hobby
President of the Senate

Sir:

We, your Committee on State Affairs to which was referred H.B. No.
1330, have had the same under consideration, and I am instructed to
report it back to the Senate with the recommendation that it do not
pass, but that the Committee Substitute adopted in lieu thereof do
pass and be printed.

Farabee, Chairman
COMMITTEE HISTORY

COMMITTEE: STATE AFFAIRS

DATE: 5-22-85

CSHB 1330 was reported back to the Senate as follows:

___ Without amendments

✓ With amendments

___ With Committee Substitute

Fiscal Implications: ___ Yes

___ No

Actuarial Implications: ___ Yes

___ No

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<td>Farabee, Chair</td>
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TOTAL 10   2   1
C.S.H.B. 1330 by Messer/URIBE

Relating to state and local regulation of outdoor signs.

Background Information:

In order to reduce visual pollution, many cities have enacted billboard ordinances regulating the size, height, spacing and location of billboards. Most of these ordinances provide a phasing-out or "amortization period" for billboards that do not comply with the ordinance, which allows billboard owners to obtain a recoupment of investment for that period (typically 6 years) before having to comply with the ordinance. The amortization process in billboard ordinances has been upheld as a valid exercise of the police power of cities. See e.g. Lubbock Poster Co. v. City of Lubbock, 569 S.W.2d 935, cert. denied. 444 U.S. 833, 100 S.Ct. 63 (1979).

Problem(s) that the Bill Addresses:

1. Billboard owners do not feel that the amortization process adequately compensates them for their losses in complying with city billboard ordinances.

2. There is currently no comprehensive statute regulating outdoor advertising on highways or roads outside of cities, towns, or villages.

Purpose:

1. This bill requires cities to pay owners of billboards required to be removed; an amount equivalent to three times the average annual gross income for off-premise signs, and "a reasonable balance between" original cost and replacement cost for on-premise signs. If the sign is required to be altered or relocated, the city must pay the costs of such alteration or relocation, including any decrease in value. In addition, the city must compensate property owners for any decrease in value resulting from the removal of a billboard.

A different payment scheme is provided for billboard ordinances in effect on June 1, 1985, which distinguishes between billboards that can be brought into compliance with the ordinance "at a cost of 15 percent or less of the value of the sign" and those which "cannot be brought into compliance at that cost." Under this scheme, the owner may keep 1/2 of the signs that can comply at that cost as non-conforming uses, and must conform the other 1/2 at his expense. The owner of signs that cannot comply at that cost may be allowed to retain the signs for 65% of the "useful life" or may be reimbursed for 65% of the cost as determined under the original payment plan.

2. This bill provides for the regulation of signs outside the corporate limits of cities, towns, or villages by providing size, height, spacing, and other restrictions and by providing enforcement by the State Highway and Public Transportation Commission.

Section by Section Analysis:

ARTICLE I

SECTION 1: Legislative Intent

SECTION 2: Defines "sign," and "municipality," "on-premise sign," and "off-premise sign."

SECTION 3: Requires cities to establish a Municipal Board of sign control, composed of 5 members: 2 real estate appraisers, a person engaged in the sign business, a highway department employee familiar with real estate valuation, and an architect.

SECTION 4: (a) Allows a municipality to require the relocation, reconstruction, or removal of any sign within its corporate limits, subject to this article.
(b) Provides that an owner of a sign required to be relocated, reconstructed, or removed is entitled to be compensated as provided by this section, as determined by the board, after an opportunity for a hearing is provided.

(c) Relocation - compensation paid for relocating includes costs of dismantling, transporting, and re erecting, determined according to condemnation procedures. (Chapter 21, Property Code) The municipality is also required to issue a permit to operate at an alternate site, and compensate the owner for any increased costs.

(d) Reconstruction - compensation paid for reconstructing includes cost of labor and materials plus the decrease in the value of the sign, determined according to condemnation procedures.

(e) Removal - (1) off-premise sign: compensation paid for removal is the average annual gross income in the two years immediately prior to removal multiplied by three. (2) on premise sign: compensation paid for removal is "a reasonable balance between" the original cost of the sign, less depreciation, and the current replacement cost, less adjustment for age and condition of the sign.

(f) The owner of the land from which a sign is removed is entitled to compensation for loss in value of the land, determined according to condemnation procedures.

SECTION 5: Method of Compensation. The municipality may pay the compensation mandated by Section 2 by: abating property taxes otherwise owed by the sign owner; creating a "sign abatement and community beautification fund;" issuing sign abatement revenue bonds; or paying cash. A city may exempt signs from the ordinance in lieu of paying compensation.

SECTION 6: Special provision applicable to municipalities with a billboard ordinance providing for amortization, in effect on June 1, 1985: Compensation for relocation, reconstruction, or removal is to be determined under this section.

The board is to compile a list of non-conforming signs and notify the owners of the action to be taken.

Owners of the signs must notify the board whether or not the signs can be brought into compliance at a cost of 15% or less of the value of the sign.

The owner may keep 1/2 of the signs that can be brought into compliance at a cost of 15% or less as non-conforming signs. The other 1/2 must conform, at no cost to the city, according to a schedule.

If signs cannot conform at a cost of 15% or less, the board may: (1) permit the signs to remain as non-conforming uses for 65% of the useful life of the board (less time under an amortization plan); or (2) pay the owner 65% of the costs as determined under Section 4. The market value appraisal of these signs shall be filed with the tax office.

SECTION 7: This article applies only to signs erected before enactment of applicable ordinances.

This article does not apply to a sign required to be removed because it has been blown down or otherwise destroyed or to a sign that complies with the Texas Litter Abatement Act, Article 4477-9a.

ARTICLE II

SECTION 1: Legislative Intent - to control the display of outdoor advertising on highways and roads located outside corporate limits of cities, towns, or villages.
SECTION 2: Declares that if Section 5(a) of Article 1 (modes of compensation) is declared invalid, the remainder of the Act is void.

SECTION 3: This act does not affect a court-approved settlement entered into before the effective date.

SECTION 4: Emergency Clause.

Comparison Between Committee Substitute and Original Bill:

The Committee Substitute added new Sections: 1 (Legislative Intent), 3 (Municipal Board), and 6 (Alternate payment plan for ordinances in effect June 1, 1985).

In addition, the substitute provided a new payment method for removal of on- and off-premises signs, Section 4(e).

SECTION 3: Provides spacing requirements for off-premise or on-premise signs.

SECTION 4: Provides height restrictions for off-premise or on-premise signs.

SECTION 5: Provides face size restrictions for on-premise and off-premise signs.

SECTION 6: Provides for determination of sign face sizes.

SECTION 7: Provides minimum wind load pressure strengths for signs; prohibits the location of portable signs on property of another without prior permission.

SECTION 8: Provides that a business may not maintain more than five on-premise signs per each frontage at a single location.

SECTION 9: Provides for administration and enforcement by the State Highway and Public Transportation Commission, and grants the commission rulemaking authority regarding permits. Provides for surety bonds under certain circumstances.

SECTION 9A: Allows a city to extend its sign ordinance to its area of extraterritorial jurisdiction.

SECTION 10: Requires permits for off-premise signs, at a fee as determined by the commission.

SECTION 11: Replacements or repairs of signs must conform with this article.

SECTION 12: Exempts from this article signs allowed under the Texas Litter Abatement Act, Article 4477-9a; signs in existence before the effective date; (except as provided in Section 13) signs designed for "the protection of life and property;" directional signs; signs relating to underground cables, sewers, etc.; and certain election signs.

Exempts from Section 5 (face size restrictions) on-premise signs advertising the sale or lease of the property, and on-premise wall signs.

SECTION 13: Off-premise signs erected before the effective date of this act must either be removed or must comply with the act.

SECTION 14: Provides civil and administrative penalties for intentionally violating this article.

SECTION 15: Fees collected under this article are to be deposited to the state highway fund.

SECTION 16: Grants counties the exclusive authority to regulate and prohibit off-premise portable signs in unincorporated areas of the county.

ARTICLE III

SECTION 1: Amends Article 1066f, the Property Redevelopment and Tax Abatement Act to allow signs designated for removal, relocation, or reconstruction, to be designated as reinvestment zones.

ARTICLE IV

SECTION 1: Effective Date: September 1, 1985.
In response to your request for a Fiscal Note on House Bill No. 1330, as engrossed (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would also authorize the State Department of Highways and Public Transportation to control and issue sign permits and renewals on all state and state political subdivision roads. Currently, the department only issues permits on interstate and federal aid primary roads and does not require renewal of permits.

The State Department of Highways and Public Transportation estimates that there are 10,000 existing signs with 300 new signs each year. The cost of administration and revenue are based on the statutory fee of $25 with a renewal fee of $10.00 on existing signs.

The revenue from fees would be deposited to the credit of the State Highway Fund and could be appropriated for administration of the Act. The estimated cost of administration, however, exceeds the estimated revenue from the fees. For purposes of this fiscal note it is assumed that other revenues transferred from the General Revenue Fund to the State Highway Fund could legally be used for administration of this Act if appropriated for that purpose, thereby avoiding the question of using constitutionally dedicated revenues.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Probable Administrative Cost Out of the State Highway Fund</th>
<th>Probable Revenue Gain to the State Highway Fund</th>
<th>Change in Number of State Employees from FY 1985</th>
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<tbody>
<tr>
<td>1986</td>
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<td>$250,000</td>
<td>+ 24</td>
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<tr>
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Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, BL
Honorable Pete Laney, Chair
Committee on State Affairs
House of Representatives
Austin, Texas

In Re: House Bill No. 1330,
as amended
By: Messer

Sirs:

In response to your request for a Fiscal Note on House Bill No. 1330, as amended (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

The bill would also authorize the State Department of Highways and Public Transportation to control and issue sign permits and renewals on all state and state political subdivision roads. Currently, the department only issues permits on interstate and federal aid primary roads and does not require renewal of permits.

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Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, LV

69FH81330aa
Honorables Pete Laney, Chair
Committee on State Affair
House of Representatives
Austin, Texas

In Re: House Bill No. 1330
By: Messer

Sir:

In response to your request for a Fiscal Note on House Bill No. 1330 (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

The bill would also authorize the State Department of Highways and Public Transportation to control and issue sign permits and renewals on all state and state political subdivision roads. Currently, the department only issues permits on interstate and federal aid primary roads and does not require renewal of permits.

The probable fiscal implication of implementing the provisions of the bill during each of the five years following passage is estimated as follows:

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Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, BL

69FHB1330
COMMITTEE SUBSTITUTE FORM

May 21, 1985
Date of report to Senate

Honorable William P. Hobby
President of the Senate

Sir:

We, your Committee on State Affairs, to which was referred H B. No. 1330, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass, but that the Committee Substitute adopted in lieu thereof do pass and be printed.

Chairman Senator Ray Farabee

Paper clip TWO copies of the Committee Substitute and TWO copies of this form to the original bill and retain one copy of this form for your file.
COMMITTEE SUBSTITUTE FOR H.B. NO. 1330

By: Messer

H.B. No. 1330

A BILL TO BE ENTITLED

AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. LEGISLATIVE INTENT. (a) This article is not intended to require a municipality to provide for the relocation, reconstruction, or removal of any sign in the municipality, nor is it intended to prohibit a municipality from requiring the relocation, reconstruction, or removal of any sign. This article is intended only to authorize a municipality to take that action and to establish the procedure by which the municipality may do so.

(b) This article is not intended to require a municipality to make a cash payment to compensate the owner of a sign that the municipality requires to be relocated, reconstructed, or removed. Cash payment is established as only one of several methods from which a municipality may choose in compensating the owner of a sign.

(c) This article is not intended to affect any eminent domain proceeding in which the taking of a sign is only an incidental part of the exercise of the eminent domain power.

SECTION 2. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform.

ADOPTED

MAY 25 1985

Secretary of the Senate
(2) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(3) "Off-premise sign" means a sign displaying advertising copy 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.

(4) "Municipality" means an incorporated city, town, or village, including a home-rule city.

SECTION 3. MUNICIPAL BOARD. (a) If a municipality requires the relocation, reconstruction, or removal of a sign within its corporate limits, the presiding officer of the governing body of the municipality shall appoint a municipal board on sign control. The board must be composed of the following persons:

(1) two persons who must be real estate appraisers registered with the Society of Real Estate Appraisers;

(2) one person who must be engaged in the sign business in the municipality;

(3) one person who must be an employee of the State Department of Highways and Public Transportation and must be familiar with real estate valuations in eminent domain proceedings;

(4) one person who must be an architect or a landscape architect licensed by this state.
(b) A member of the board is appointed for a term of two years.

(c) The board has the powers and duties given to it by this article.

SECTION 4. RELOCATION, RECONSTRUCTION, OR REMOVAL OF SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of this article, a municipality may require the relocation, reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated, reconstructed, or removed is entitled to be compensated by the municipality as provided by this section for costs associated with the relocation, reconstruction, or removal. The municipal board on sign control shall determine under this section the amount of the compensation. The determination shall be made after the owner of the sign is given the opportunity for a hearing before the board about the issues involved in the matter.

(c) For a sign that is required to be relocated, compensable costs include the expenses of dismantling the sign, transporting it to another site, and reerecting it, determined according to the standards and procedures applicable in a proceeding under Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location. The owner is responsible for designating the alternative site.
Whether an alternative site is of substantially equivalent value is
determined by standards generally accepted in the outdoor
advertising industry, including visibility, traffic count, and
demographic factors.

(d) For a sign that is required to be reconstructed,
compensable costs include expenses of labor and materials and any
loss in the value of the sign because of the reconstruction,
determined according to standards and procedures applicable in a
proceeding under Chapter 21, Property Code.

(e)(1) For an off-premise sign that is required to be removed, the compensable cost is an amount computed by determining
the average annual gross revenue received by the owner from the
sign during the two years immediately preceding the month in which
the removal date for the sign occurs and by multiplying that amount
by three. If the sign has not been in existence for the entire
two-year period, the compensable cost is an amount computed by
dividing 12 by the number of months that the sign has been in
existence, multiplying that result by the total amount of the gross
revenue received for the period that the sign has been in
existence, and multiplying that result by three. In determining
the amounts under this paragraph, a sign is treated as if it were
in existence for the entire month if it was in existence for more
than 15 days of the month and is treated as if it were not in
existence for any part of the month if it was in existence for 15
or fewer days of the month.

(2) For an on-premise sign that is required to be removed,
the compensable cost is an amount computed by determining a
reasonable balance between the original cost of the sign, less
depreciation, and the current replacement cost of the sign, less an
adjustment for the present age and condition of the sign.

(f) If a sign is required to be removed, the owner of the
real property on which the sign was located is entitled to be
compensated for the decrease in the value of the real property.
The compensable cost is to be determined according to standards and
procedures applicable in a proceeding under Chapter 21, Property
Code.

SECTION 5. METHOD OF COMPENSATION. (a) In order to pay the
compensable costs required under Section 4 of this article, the
governing body of any municipality is authorized to utilize only
the following methods prescribed by this section, or a combination
of those methods.

(b) The municipality, acting pursuant to the Property
Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas
Civil Statutes), may abate municipal property taxes that otherwise
would be owed by the owner of a sign that is required to be
relocated or reconstructed. The abated taxes may be on any real or
personal property owned by the owner of the sign except residential
property. The right to the abatement of taxes is assignable by the
holder, and the assignee may use the right to abatement with
respect to taxes on any nonresidential property in the same taxing
jurisdiction. In any municipality where tax abatement is utilized
in order to pay compensable costs, such costs shall include
reasonable interest and such abatement period shall not exceed five years.

(c) The municipality may allocate all or any part of the municipal property taxes paid on signs, on the real property upon which the signs are located, or on other real or personal property owned by the owner of the sign to a special fund in the municipal treasury, to be known as the sign abatement and community beautification fund, and make payments from that fund to reimburse compensable costs to owners of signs required to be relocated, reconstructed, or removed.

(d) The municipality may provide for the issuance of sign abatement revenue bonds and use the proceeds to make payments to reimburse costs to the owners of signs required to be relocated, reconstructed, or removed. The municipality may only use the proceeds from such bonds for the removal, relocation, or reconstruction of signs within the corporate limits of such municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of compensation is at issue and the compensation is to be provided over a period longer than one year, the court shall consider whether the duration of the period is reasonable under the circumstances.

(g) If application of a municipal regulation would require reconstruction of a sign in a manner that would make it ineffective for its intended purpose, such as by substantially impairing the
C.S.H.B. No. 1330

sign's visibility, application of the regulation is treated as the required removal of the sign for purposes of this article.

(h) In lieu of paying compensation, a city may exempt from required relocation, reconstruction, or removal those signs lawfully in place on the effective date of the requirement.

SECTION 6. SPECIAL PROVISIONS FOR SIGNS UNDER SIGN ORDINANCE ON CERTAIN DATE. (a) If, on June 1, 1985, a municipality has in effect an ordinance requiring the relocation, reconstruction, or removal of any sign and if the ordinance provides for compensating a sign owner under an amortization plan, the compensation for a sign's relocation, reconstruction, or removal is to be determined under this section instead of under Section 4 of this article.

(b) The municipal board on sign control shall compile a list of the signs that, on September 1, 1985, are not in compliance with the sign ordinance. The board shall compile the list before December 1, 1985.

(c) Before December 15, 1985, the board shall have made a diligent effort to mail a written notice to the owner of each sign on the list. The notice must be sent through the United States Postal Service. The notice must state that the sign is on the list of signs that are not in compliance with the sign ordinance, must describe the sign by general type and by location, and must describe the action that is required of the owner under Subsection (d) of this section. If either the identification of an owner of a sign on the list or the address of the owner cannot be determined by the board after the board has made a diligent effort to do so,
the board, before December 15, 1985, shall cause a notice to be
published in a newspaper of general circulation in the
municipality. The newspaper notice must contain information
similar to that required to be in the personal written notice.
(d) Before February 1, 1986, the owner of a sign that is on
the list compiled by the board shall file with the board a record
of the owner's signs that the owner determines can be brought into
compliance with the sign ordinance at a cost of 15 percent or less
of the value of the sign and also shall file another record of the
signs that the owner determines cannot be brought into compliance
at that cost. If an owner fails to file the required information
about a sign, the board shall treat the sign as if the owner had
recorded it as being unable to be brought into compliance at the
cost of 15 percent or less.
(e) Before March 15, 1986, the board shall verify the
records filed with the board under Subsection (d) of this section.
If the board questions an owner's determination made under
Subsection (d), the board shall obtain three competitive bids
regarding the cost at which the sign can be brought into compliance
with the sign ordinance. After receiving the bids, the board may
make its own determination regarding the sign. The verification,
including any determination the board may make as authorized by
this subsection, may be made only after the owner of the signs is
given an opportunity for a hearing before the board about the
issues involved in the matter. As part of the verification process
the board shall appraise the value of the signs at market value.
(f) Of an owner's signs that the board verifies can be brought into compliance at the cost of 15 percent or less, the board shall permit the owner to keep one-half of those signs as nonconforming uses and shall require the other one-half to be brought into compliance at no cost to the municipality. If an owner has an odd number of signs involved, the one additional sign that prevents an exact one-half division shall be added to the number of signs permitted as nonconforming uses. In making its determination of which signs to permit as nonconforming uses and which to require to be brought into compliance, the board shall consider the requests of the owner and shall consider other relevant factors, including factors such as geography, density, value, traffic flow, and cost of compliance.

(g) The signs that are required to be brought into compliance are subject to the following schedule:

1. one-third of those signs must be brought into compliance before July 1, 1986;
2. another one-third of those signs must be brought into compliance before July 1, 1987; and
3. the remaining one-third must be brought into compliance before July 1, 1988.

(h) For signs that the board verifies cannot be brought into compliance at the cost of 15 percent or less, the board shall determine the entire useful life of those signs by type or category, such as the categories of mono-pole signs, metal signs, and wood signs. For those signs, the governing body of the
municipality may:

(1) permit the signs to be kept in place as nonconforming uses for a period computed by taking the entire useful life of the sign, subtracting from that useful life the period that the sign has been under the municipality's amortization plan, and multiplying that result by 65 percent; or

(2) pay the sign owner, by one of the methods described by Section 5 of this article, 65 percent of the compensable costs of the relocation, reconstruction, or removal of the sign, as those costs are determined under Section 4 of this article.

(i) For each sign that cannot be brought into compliance at the cost of 15 percent or less, the board shall file with the appropriate property tax appraisal office the board's market value appraisal of the sign. The board shall file the information on or before March 15, 1986. The appraisal office shall consider the board's appraisal when the office, for property tax purposes, determines in 1986 and later years the appraised value of the real property to which the sign is attached.

SECTION 7. EXCEPTIONS. (a) The requirements of this article do not apply to any sign that was erected in violation of local ordinances, laws, or regulations applicable at the time of its erection.

(b) The requirements of this article do not apply to a sign that, having been permitted to remain in place as a nonconforming use, is required to be removed by a municipality because the sign, or a substantial part of it, is blown down or otherwise destroyed.
or dismantled for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 60 percent of the cost of erecting a new sign of the same type at the same location.

(d) This article does not apply to an off-premise sign that is erected and maintained in compliance with the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes).

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the legislature to promote and control the reasonable, orderly, and effective display of outdoor advertising on all highways and roads located outside the corporate limits of cities, towns, and villages in Texas to promote the recreational value of public travel, and to preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:

(1) "Commission" means the State Highway and Public Transportation Commission.

(2) "Rural road" means a road, street, way, thoroughfare, or bridge that is located in an unincorporated area and is not privately owned or controlled, any part of which is open to the public for vehicular traffic, and over which the state or any of its political subdivisions have jurisdiction.

(3) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform and that is visible from the main-travelled way of a rural road.

(4) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or corporation.

(7) "Portable sign" means a sign designed to be mounted on a trailer, bench, wheeled carrier, or other nonmotorized mobile structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign having a face area of 301 square feet or more may not be erected within 1,500 feet of another off-premise sign on the same side of the roadway.

(b) An off-premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100
square feet may not be erected within 300 feet of another
off-premise sign on the same side of the roadway.
(d) For purposes of this section, each double-faced,
back-to-back, or V-type sign is treated as a single sign.
(e) Signs located at the same intersection are not in
violation of this section because of their nearness to one another
if they are located so that their messages are directed toward
traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or
off-premise sign may not be erected that exceeds an overall height
of 42-1/2 feet, excluding cutouts extending above the rectangular
border, measured from the highest point on the sign to the grade
level of the roadway from which the sign is to be viewed. A roof
sign having a tight or solid surface may not at any point exceed 24
feet above the roof level. Open roof signs in which the uniform
open area is not less than 40 percent of total gross area may be
erected to a height of 40 feet above the roof level. The lowest
point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other
than an on-premise wall sign, may not be erected that has a face
area exceeding 400 square feet, including cutouts but excluding
uprights, trim, and apron. An off-premise sign may not be erected
that has a face area exceeding 672 square feet, excluding cutouts,
uprights, trim, and apron. Neither an on-premise nor an
off-premise sign may have a cutout with an area larger than 20
percent of the sign's surface copy area.
SECTION 6. DETERMINATION OF SIZE. For signs of a double-faced, back-to-back, or V-type nature, each face is considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE SIGNS. (a) Each on-premise or off-premise sign erected or sited must be designed to resist wind loads as follows:

WIND LOAD PRESSURES IN POUNDS
PER SQUARE FOOT FOR ALL SIGNS

<table>
<thead>
<tr>
<th>Height, in feet above ground, as measured above the average level of the ground adjacent to the structure</th>
<th>Pressure, pounds per square foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 30</td>
<td>20</td>
</tr>
<tr>
<td>31 - 50</td>
<td>25</td>
</tr>
<tr>
<td>51 - 99</td>
<td>35</td>
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<tr>
<td>100 - 199</td>
<td>45</td>
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<tr>
<td>200 - 299</td>
<td>50</td>
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<tr>
<td>300 - 399</td>
<td>55</td>
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<tr>
<td>400 - 500</td>
<td>60</td>
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<tr>
<td>501 - 800</td>
<td>70</td>
</tr>
<tr>
<td>Over 800</td>
<td>77</td>
</tr>
</tbody>
</table>

(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner’s authorized agent.
SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period.

Any person engaged primarily in the business of erecting signs that advertise companies located or products sold on the premises on which the signs are erected must file with the commission a surety bond in the amount of at least $100,000 and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by the person; a person may not be exempted from this requirement.
(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article; or

(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance which may, in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

SECTION 9A. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION. Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as otherwise provided by law. However, any municipality, in lieu of such regulatory ordinances, may allow the commission to regulate outdoor signs in said city's extraterritorial jurisdiction by filing a written notice with the commission.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled
way of a rural road without having first obtained a permit from the commission. A permit issued under this section is valid for one year. The commission by rule shall prescribe fees for the issuance of permits in amounts determined by the commission to be sufficient to enable the commission to recover the costs of enforcement of this article. Fees collected under this section shall be deposited in the state treasury and may be used only for the enforcement of this article. Except as authorized pursuant to this Act, no permit may be issued for an off-premise sign unless such sign is to be located within 800 feet of one or more recognized commercial or industrial business activities and located on the same side of the roadway as such business.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any sign, or a substantial part of it, is blown down or otherwise destroyed or taken down or removed for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign, it may not be reerected, reconstructed, or rebuilt except in full conformance with the provisions and requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from this article:

(1) a sign the erection and maintenance of which is allowed
under the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes);

(2) a sign in existence before the effective date of this article;

(3) a sign that has as its purpose the protection of life and property;

(4) a directional or other official sign authorized by law, including a sign pertaining to natural wonders or scenic or historic attractions;

(5) a sign or marker giving information about the location of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers, or waterlines;

(6) a sign erected by an agency of the state or a political subdivision of the state; and

(7) a sign erected solely for and relating to a public election, but only if:

(A) the sign is on private property;

(B) the sign is erected no sooner than the 60th day before the election and is removed no later than the 10th day after the election;

(C) the sign is constructed of lightweight material; and

(D) the surface area of the sign is not larger than 50 square feet.

(b) The following are exempt from the requirements of Section 5 of this article:
(1) signs advertising the sale or lease of property on which
they are located; and
(2) on-premise wall signs.
(c) The exemption provided by Subsection (a)(2) of this
section does not exempt a sign from Section 13 of this article to
the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the
120th day after the effective date of this article each owner of an
off-premise sign erected before the effective date of this article
that is visible from the main-traveled way of a rural road shall
either remove the sign or register the sign with the commission.
The owner must pay a fee of $25 for each sign that is registered.
This registration is valid for one year, but is renewable for an
annual fee of $10 a sign, provided however, the commission may by
regulation provide for a longer renewal period not to exceed five
years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A
person who intentionally violates this article or a rule adopted by
the commission under this article is liable to the state for a
civil penalty. The attorney general or a county or district
attorney may sue to collect the penalty.
(b) The amount of the civil penalty is not less than $150
nor more than $1,000 for each violation, depending on the
seriousness of the violation. A separate civil penalty may be
collected for each day on which a continuing violation occurs.
(c) In lieu of a suit to collect a civil penalty, the
C.S.H.B. No. 1330

commission may, after notice and an opportunity for hearing before
the commission, assess an administrative penalty against a person
who intentionally violates this article or a rule adopted by the
commission under this article. The amount of an administrative
penalty may not exceed the maximum amount of a civil penalty under
this section. A continuing violation is subject to separate
administrative penalties in the same manner as it is subject to
separate civil penalties. A proceeding on the assessment of an
administrative penalty under this subsection is a contested case
for purposes of the Administrative Procedure and Texas Register Act
(Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of
the assessment of an administrative penalty under this subsection,
the manner of review is by trial de novo.

(d) If it is shown at the trial for collection of a civil
penalty under this section or on appeal of an administrative
penalty under this section that a judgment for a civil penalty, or
a final order, not timely appealed, or a judgment for an
administrative penalty, was previously assessed against the person,
in addition to any penalty that may be assessed for the subsequent
violation the court shall order the revocation of any permit held
by the person for the location at which the subsequent violation
occurred.

(e) Civil and administrative penalties collected under this
article shall be deposited in the state treasury to the credit of
the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by
Section 10 of this article, permit or registration fees collected by the commission under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 16. AUTHORITY OF CERTAIN COUNTIES OVER OFF-PREMISE PORTABLE SIGNS. (a) Notwithstanding any other provision of this article, the commissioners court of a county with a population of 1.7 million or more, according to the most recent federal census, has exclusive authority to prohibit off-premise portable signs in the unincorporated area of the county and to regulate the following matters in that area:

(1) the location, height, size, and anchoring of off-premise portable signs; and

(2) other matters relating to the use of off-premise portable signs.

(b) If a county prohibition or regulation adopted under this section conflicts with state law or with a rule adopted under state law by a state agency, the county prohibition or regulation prevails.

(c) The appropriate attorney representing the county in the district court may seek injunctive relief to prevent the violation or threatened violation of a prohibition or regulation adopted under this section.

(d) The commissioners court may define an offense for the violation of a prohibition or regulation adopted under this section. If the commissioners court defines an offense, the offense is a Class C misdemeanor. The offense is prosecuted in the
same manner as an offense defined by state law.

ARTICLE 3

SECTION 1. Section 3, Property Redevelopment and Tax
Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is
amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be
designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a
city or town, retard the provision of housing accommodations, or
constitute an economic or social liability and be a menace to the
public health, safety, morals, or welfare in its present condition
and use by reason of the presence of a substantial number of
substandard, slum, deteriorated, or deteriorating structures;
predominance of defective or inadequate sidewalk or street layout;
faulty lot layout in relation to size, accessibility, or
usefulness; unsanitary or unsafe conditions; deterioration of site
or other improvements; tax or special assessment delinquency
exceeding the fair value of the land; defective or unusual
conditions of title; the existence of conditions that endanger life
or property by fire or other cause; or any combination of these
factors or conditions;

(2) be predominantly open and, because of obsolete platting
or deterioration of structures or site improvements, or other
factors, substantially impair or arrest the sound growth of the
city or town;

(3) be in a federally assisted new community located within
a home-rule city or in an area immediately adjacent to the
federally assisted new community;

(4) be located wholly within an area which meets the
requirements for federal assistance under Section 119 of the
Housing and Community Development Act of 1974; or

(5) encompass signs, billboards, and other outdoor
advertising structures designated by the governing body of the
incorporated city or town for relocation, reconstruction, or
removal for the purpose of enhancing the physical environment of
the city or town, which the legislature hereby declares to be a
public purpose; or

(6) be designated a local or state-federal enterprise zone
under the Texas Enterprise Zone Act.

(b) For the purposes of Subdivision (3) of Subsection (a) of
this section, a federally assisted new community is a federally
assisted area that received or will receive assistance in the form
of loan guarantees under Title X of the National Housing Act and a
portion of the federally assisted area has received grants under
Section 107(a)(1) of the Housing and Community Development Act of
1974.

c) The governing body of an incorporated city or town may
designate, by boundaries, as a reinvestment zone any area, or real
or personal property whose use is directly related to the business
of outdoor advertising, within the taxing jurisdiction of the city
or town that the governing body finds to satisfy the requirements
of Subsection (a) of this section, subject to the limitations set
forth by Section 4 of this Act. The governing body of an
corporated city or town shall designate a reinvestment zone
eligible for residential property tax abatement, or
commercial-industrial tax abatement, or tax incentive/financing as
provided for in the Texas Tax Increment Financing Act of 1981
(Article 1066e, Vernon's Texas Civil Statutes) [S.B.-No.-167-67th
Legislature-1st-Called-Session-1981].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September
1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The
legislature declares that it would not have enacted this Act
without the inclusion of Section 5(a) of Article 1, to the extent
that provision excludes modes of compensation not specifically
authorized by that provision. If this exclusion of alternative
modes of compensation is for any reason held invalid by a final
judgment of a court of competent jurisdiction, the remainder of
this Act is void.

(b) Except as provided by Subsection (a) of this section,
this Act is severable as provided by Chapter 45, Acts of the 63rd
Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas
Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act
affects a court-approved settlement entered into before the
effective date of this Act in any litigation in a court of the
United States involving the validity of municipal regulation of
signs. To the extent a provision of this Act conflicts with the
terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended.
Amend C.S.H.B. 1330 by striking all below the enacting clause
and substituting the following:

ARTICLE 1

SECTION 1. LEGISLATIVE INTENT. (a) This article is not
intended to require a municipality to provide for the relocation,
reconstruction, or removal of any sign in the municipality, nor is
it intended to prohibit a municipality from requiring the
relocation, reconstruction, or removal of any sign. This article
is intended only to authorize a municipality to take that action
and to establish the procedure by which the municipality may do so:

(b) This article is not intended to require a municipality
to make a cash payment to compensate the owner of a sign that the
municipality requires to be relocated, reconstructed, or removed.
Cash payment is established as only one of several methods from
which a municipality may choose in compensating the owner of a
sign.

(c) This article is not intended to affect any eminent
domain proceeding in which the taking of a sign is only an
incidental part of the exercise of the eminent domain power.

SECTION 2. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform.

ADMITTED

MAY 25 1985

Secretary of the Senate

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(2) "On-premise sign" means a freestanding sign identifying
or advertising a business, person, or activity, and installed and
maintained on the same premises as the business, person, or
activity.

(3) "Off-premise sign" means a sign displaying advertising
copy 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.

(4) "Municipality" means an incorporated city, town, or
village, including a home-rule city.

SECTION 3. MUNICIPAL BOARD. (a) If a municipality requires
the relocation, reconstruction, or removal of a sign within its
corporate limits or extraterritorial jurisdiction, the presiding
officer of the governing body of the municipality shall appoint a
municipal board on sign control. The board must be composed of the
following persons:

(1) two persons who must be real estate appraisers
registered with the Society of Real Estate Appraisers or the
American Institute of Real Estate Appraisers;

(2) one person who must be engaged in the sign business in
the municipality;

(3) one person who must be an employee of the State
Department of Highways and Public Transportation and must be
familiar with real estate valuations in eminent domain proceedings;
and

(4) one person who must be an architect or a landscape
architect licensed by this state.

(b) A member of the board is appointed for a term of two years.

(c) The board has the powers and duties given to it by this article.

SECTION 4. RELOCATION, RECONSTRUCTION, OR REMOVAL OF SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of this article, a municipality may require the relocation, reconstruction, or removal of any sign within its corporate limits or extraterritorial jurisdiction.

(b) The owner of a sign that is required to be relocated, reconstructed, or removed is entitled to be compensated by the municipality as provided by this section for costs associated with the relocation, reconstruction, or removal. The municipal board on sign control shall determine under this section the amount of the compensation. The determination shall be made after the owner of the sign is given the opportunity for a hearing before the board about the issues involved in the matter.

(c) For a sign that is required to be relocated, compensable costs include the expenses of dismantling the sign, transporting it to another site, and reerecting it, determined by the board according to the standards applicable in a proceeding under Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location.
The owner is responsible for designating an alternative site where
the erection of the sign would be in compliance with the sign
ordinance. Whether an alternative site is of substantially
equivalent value is determined by standards generally accepted in
the outdoor advertising industry, including visibility, traffic
count, and demographic factors.

(d) For a sign that is required to be reconstructed,
compensable costs include expenses of labor and materials and any
loss in the value of the sign in excess of 15 percent of that value
due to the reconstruction, determined by the board according to
standards applicable in a proceeding under Chapter 21, Property
Code.

(e)(1) For an off-premise sign that is required to be
removed, the compensable cost is an amount computed by determining
the average annual gross revenue received by the owner from the
sign during the two years immediately preceding September 1, 1985,
or the two years immediately preceding the month in which the
removal date of the sign occurs, whichever is less, and by
multiplying that amount by three. If the sign has not been in
existence for all of either two-year period, the average annual
gross revenue for that period, for the purpose of this computation,
is an amount computed by dividing 12 by the number of months that
the sign has been in existence, and multiplying that result by the
total amount of the gross revenue received for the period that the
sign has been in existence. However, if the sign did not generate
revenue for at least one month preceding September 1, 1985, this
computation of compensable costs is to be made using only the
average annual gross revenue received during the two years immediately preceding the month in which the removal date of the sign occurs, and by multiplying that amount by three. In determining the amounts under this paragraph, a sign is treated as if it were in existence for the entire month if it was in existence for more than 15 days of the month and is treated as if it were not in existence for any part of the month if it was in existence for 15 or fewer days of the month.

(2) For an on-premise sign that is required to be removed, the compensable cost is an amount computed by determining a reasonable balance between the original cost of the sign, less depreciation, and the current replacement cost of the sign, less an adjustment for the present age and condition of the sign.

(f) If an off-premise sign is required to be removed and the sign owner's compensable cost for the sign is to be determined under Subsection (e)(1) of this section, the owner of the real property on which the sign was located is entitled to be compensated for any decrease in the value of the real property. The compensable cost is to be determined by the board according to standards applicable in a proceeding under Chapter 21, Property Code.

(g) For each nonconforming sign, the board shall file with the appropriate property tax appraisal office the board's compensable costs value appraisal of the sign. The appraisal office shall consider the board's appraisal when the office, for property tax purposes, determines the appraised value of the real property to which the sign is attached.
SECTION 5. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 4 of this article, the governing body of any municipality is authorized to utilize only the following methods prescribed by this section, or a combination of those methods.

(b) The municipality, acting pursuant to the Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), may abate municipal property taxes that otherwise would be owed by the owner of a sign that is required to be relocated or reconstructed. The abated taxes may be on any real or personal property owned by the owner of the sign except residential property. The right to the abatement of taxes is assignable by the holder, and the assignee may use the right to abatement with respect to taxes on any nonresidential property in the same taxing jurisdiction. In any municipality where tax abatement is utilized in order to pay compensable costs, such costs shall include reasonable interest and such abatement period shall not exceed five years.

(c) The municipality may allocate all or any part of the municipal property taxes paid on signs, on the real property upon which the signs are located, or on other real or personal property owned by the owner of the sign to a special fund in the municipal treasury, to be known as the sign abatement and community beautification fund, and make payments from that fund to reimburse compensable costs to owners of signs required to be relocated, reconstructed, or removed.

(d) The municipality may provide for the issuance of sign
abatement revenue bonds and use the proceeds to make payments to
reimburse costs to the owners of signs required to be relocated,
reconstructed, or removed. The municipality may only use the
proceeds from such bonds for the removal, relocation, or
reconstruction of signs within the corporate limits of such
municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of
compensation is at issue and the compensation is to be provided
over a period longer than one year, the court shall consider
whether the duration of the period is reasonable under the
circumstances.

(g) If application of a municipal regulation would require
reconstruction of a sign in a manner that would make it ineffective
for its intended purpose, such as by substantially impairing the
sign's visibility, application of the regulation is treated as the
required removal of the sign for purposes of this article.

(h) In lieu of paying compensation, a city may exempt from
required relocation, reconstruction, or removal those signs
lawfully in place on the effective date of the requirement.

SECTION 6. SPECIAL PROVISIONS FOR SIGNS UNDER SIGN ORDINANCE
ON CERTAIN DATE. (a) If, on June 1, 1985, a municipality has in
effect an ordinance requiring the relocation, reconstruction, or
removal of any sign and if the ordinance provides for compensating
a sign owner under an amortization plan, the compensation for a
sign's relocation, reconstruction, or removal is to be determined
under this section instead of under Section 4 of this article.
(b) The municipal board on sign control shall compile a list of the signs that, on September 1, 1985, are not in compliance with the sign ordinance. The board shall compile the list before December 1, 1985.

(c) Before December 15, 1985, the board shall have made a diligent effort to mail a written notice to the owner of each sign on the list. The notice must be sent through the United States Postal Service by certified or registered mail with return receipt requested. The notice must state that the sign is on the list of signs that are not in compliance with the sign ordinance, must describe the sign by general type and by location, and must describe the action that is required of the owner under Subsection (d) of this section. If either the identification of an owner of a sign on the list or the address of the owner cannot be determined by the board after the board has made a diligent effort to do so, the board, before December 15, 1985, shall cause a notice to be published in a newspaper of general circulation in the municipality. The newspaper notice must contain information similar to that required to be in the personal written notice.

(d) Before February 1, 1986, the owner of a sign that is on the list compiled by the board shall file with the board a record of the owner's signs that the owner determines can be brought into compliance with the sign ordinance at a cost of 15 percent or less of the value of the sign and also shall file another record of the signs that the owner determines cannot be brought into compliance at that cost. If an owner fails to timely file the required information about a sign, the board shall treat the sign as if the
owner had recorded it as being able to be brought into compliance at a cost of 15 percent or less.

(e) Before March 15, 1986, the board shall verify the records filed with the board under Subsection (d) of this section. If the board questions an owner's determination made under Subsection (d), the board shall obtain three competitive bids regarding the cost at which the sign can be brought into compliance with the sign ordinance. After receiving the bids, the board may make its own determination regarding the sign. The verification, including any determination the board may make as authorized by this subsection, may be made only after the owner of the signs is given an opportunity for a hearing before the board about the issues involved in the matter. As part of the verification process the board shall appraise the value of the signs at compensable costs.

(f) Of an owner's signs that the board verifies can be brought into compliance at the cost of 15 percent or less, the board shall permit the owner to keep one-half of those signs as nonconforming uses and shall require the other one-half to be brought into compliance at no cost to the municipality. If an owner has more than one sign and the total number of signs is an odd number, the one additional sign that prevents an exact one-half division shall be added to the number of signs permitted as nonconforming uses. In making its determination of which signs to permit as nonconforming uses and which to require to be brought into compliance, the board shall consider the requests of the owner and shall consider other relevant factors, including factors such
as geography, density, value, traffic flow, and cost of compliance.

(g) The signs that are required to be brought into compliance are subject to the following schedule:

(1) one-third of those signs must be brought into compliance before July 1, 1986;

(2) another one-third of those signs must be brought into compliance before July 1, 1987; and

(3) the remaining one-third must be brought into compliance before July 1, 1988.

(h) For signs that the board verifies cannot be brought into compliance at the cost of 15 percent or less, the board shall determine the entire useful life of those signs by type or category, such as the categories of mono-pole signs, metal signs, and wood signs. The useful life may not be solely determined by the natural life expectancy of a sign. For those signs, the governing body of the municipality may:

(1) permit the signs within the corporate limits of the municipality to be kept in place as nonconforming uses for a period computed by taking the entire useful life of the sign, subtracting from that useful life the period that the sign has been under the municipality's amortization plan, and multiplying that result by 65 percent;

(2) permit the signs within the extraterritorial jurisdiction of a municipality to be kept in place as nonconforming uses for a period computed by taking the entire useful life of the sign and multiplying that useful life by 65 percent; or

(3) pay the sign owner, by one of the methods described by
Section 5 of this article, 65 percent of the compensable costs of
the relocation, reconstruction, or removal of the sign, as those
costs are determined under Section 4 of this article.

(i) For each nonconforming sign, the board shall file with
the appropriate property tax appraisal office the board's
compensable costs value appraisal of the sign. The board shall
file the information on or before March 15, 1986. The appraisal
office shall consider the board's appraisal when the office, for
property tax purposes, determines in 1986 and later years the
appraised value of the real property to which the sign is attached.

(j) If a sign is required to be removed and the sign owner
is to be compensated under Subsection (h)(3) of this section, the
owner of the real property on which the sign was located is
entitled to be compensated for 65 percent of any decrease in the
value of the real property. The compensable cost is to be
determined by the board according to standards applicable in a
proceeding under Chapter 21, Property Code. The governing body of
the municipality may pay the owner by one of the methods described
by Section 5 of this article.

SECTION 7. APPEAL. (a) Any person aggrieved by a decision
of the board may present to a district court a petition, duly
verified, setting forth that the decision is illegal, in whole or
in part, and specifying the grounds of the illegality. The
petition must be presented to the court not later than the 20th day
after the day the decision is rendered by the board.

(b) Upon presentation of the petition, the court may allow a
writ of certiorari directed to the board to review the decision of
the board and shall prescribe in the writ the time within which a
return must be made, which may not be less than 10 days and may be
extended by the court.

(c) The board is not required to return the original papers
acted upon by it, but it shall be sufficient to return certified or
sworn copies of the papers. The return must concisely set forth
all other facts as may be pertinent and material to show the
grounds of the decision appealed from and must be verified.

(d) The court may reverse or affirm, wholly or partly, or
may modify the decision brought up for review.

(e) Costs may not be allowed against the board unless it
shall appear to the court that the board acted with gross
negligence, in bad faith, or with malice in making the decision
appealed from.

SECTION 8. EXCEPTIONS. (a) The requirements of this
article do not apply to any sign that was erected in violation of
local ordinances, laws, or regulations applicable at the time of
its erection.

(b) The requirements of this article do not apply to a sign
that, having been permitted to remain in place as a nonconforming
use, is required to be removed by a municipality because the sign,
or a substantial part of it, is blown down or otherwise destroyed
or dismantled for any purpose other than maintenance operations or
for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 60 percent of the
cost of erecting a new sign of the same type at the same location.

(d) This article may not be construed to limit or restrict
the compensation provisions of the highway beautification
provisions contained in Article IV, Texas Litter Abatement Act
(Article 4477-9a, Vernon's Texas Civil Statutes).

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the
legislature to promote and control the reasonable, orderly, and
effective display of outdoor advertising on all highways and roads
located outside the corporate limits of cities, towns, and villages
in Texas to promote the recreational value of public travel, and to
preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:

(1) "Commission" means the State Highway and Public
Transportation Commission.

(2) "Rural road" means a road, street, way, thoroughfare, or
bridge that is located in an unincorporated area and is not
privately owned or controlled, any part of which is open to the
public for vehicular traffic, and over which the state or any of
its political subdivisions have jurisdiction.

(3) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform and that is visible from the main-travelled way
of a rural road.

(4) "On-premise sign" means a freestanding sign identifying
or advertising a business, person, or activity, and installed and
maintained on the same premises as the business, person, or activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or corporation.

(7) "Portable sign" means a sign designed to be mounted on a trailer, bench, wheeled carrier, or other nonmotorized mobile structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign having a face area of 301 square feet or more may not be erected within 1,500 feet of another off-premise sign on the same side of the roadway.

(b) An off-premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100 square feet may not be erected within 150 feet of another off-premise sign on the same side of the roadway.

(d) For purposes of this section, each double-faced, back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in violation of this section because of their nearness to one another if they are located so that their messages are directed toward
traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or
off-premise sign may not be erected that exceeds an overall height
of 42-1/2 feet, excluding cutouts extending above the rectangular
border, measured from the highest point on the sign to the grade
level of the roadway from which the sign is to be viewed. A roof
sign having a tight or solid surface may not at any point exceed 24
feet above the roof level. Open roof signs in which the uniform
open area is not less than 40 percent of total gross area may be
erected to a height of 40 feet above the roof level. The lowest
point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other
than an on-premise wall sign, may not be erected that has a face
area exceeding 400 square feet, including cutouts but excluding
uprights, trim, and apron. An off-premise sign may not be erected
that has a face area exceeding 672 square feet, excluding cutouts,
uprights, trim, and apron. Neither an on-premise nor an
off-premise sign may have a cutout with an area larger than 20
percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a
double-faced, back-to-back, or V-type nature, each face is
considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE
SIGNS. (a) Each on-premise or off-premise sign erected or sited
must be designed to resist wind loads as follows:
### Wind Load Pressures in Pounds per Square Foot for All Signs

<table>
<thead>
<tr>
<th>Height, in feet above ground, as measured above the average level of the ground adjacent to the structure</th>
<th>Pressure, pounds per square foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 5</td>
<td>0</td>
</tr>
<tr>
<td>6 - 30</td>
<td>20</td>
</tr>
<tr>
<td>31 - 50</td>
<td>25</td>
</tr>
<tr>
<td>51 - 99</td>
<td>35</td>
</tr>
<tr>
<td>100 - 199</td>
<td>45</td>
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<tr>
<td>200 - 299</td>
<td>50</td>
</tr>
<tr>
<td>300 - 399</td>
<td>55</td>
</tr>
<tr>
<td>400 - 500</td>
<td>60</td>
</tr>
<tr>
<td>501 - 800</td>
<td>70</td>
</tr>
<tr>
<td>Over 800</td>
<td>77</td>
</tr>
</tbody>
</table>

(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

#### Section 8. Number of On-Premise Signs
A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

#### Section 9. Administration of Article; Rulemaking
(a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs.
covered under this article. The commission shall adopt rules
specifying the time for and manner of applying for a permit, the
form of the permit application, and the information that must be
included in a permit application.

(b) The commission by rule may require every applicant for a
permit to file with the commission a surety bond or other security
in a reasonable amount and payable to the commission to reimburse
it for the cost of removing a sign unlawfully erected or maintained
by a permittee. A rule adopted under this section must provide for
exemption from the requirement of furnishing a bond or security for
an applicant who has held five or more permits under this article
for at least one year and has not violated this article or a rule
adopted under this article during the preceding 12-month period.

Any person engaged primarily in the business of erecting signs that
advertise companies located or products sold on the premises on
which the signs are erected must file with the commission a surety
bond in the amount of at least $100,000 and payable to the
commission to reimburse it for the cost of removing a sign
unlawfully erected or maintained by the person; a person may not be
exempted from this requirement.

(c) The commission may revoke a permit issued under this
article if the permittee:

(1) violates any provision or requirement of this article;
(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the
revocation to a district court in Travis County. The appeal must
be taken not later than the 15th day after the date of the
commission's action.

e) The commission shall issue a permit to a person whose
application complies with the commission's rules and whose sign, if
erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance
which may, in appropriate cases and subject to appropriate
conditions and safeguards, make special exceptions to the
provisions of this article.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not
erect an off-premise sign that is visible from the main-travelled
way of a rural road without having first obtained a permit from the
commission. A permit issued under this section is valid for one
year. The commission by rule shall prescribe fees for the issuance
of permits in amounts determined by the commission to be sufficient
to enable the commission to recover the costs of enforcement of
this article. Fees collected under this section shall be deposited
in the state treasury and may be used only for the enforcement of
this article. Except as authorized pursuant to this Act, no permit
may be issued for an off-premise sign unless such sign is to be
located within 800 feet of one or more recognized commercial or
industrial business activities and located on the same side of the
roadway as such business.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any
sign, or a substantial part of it, is blown down or otherwise
destroyed or taken down or removed for any purpose other than
maintenance operations or for changing the letters, symbols, or
other matter on the sign, it may not be reerected, reconstructed, or rebuilt except in full conformance with the provisions and requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from this article:

(1) a sign the erection and maintenance of which is allowed under the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes);

(2) a sign in existence before the effective date of this article;

(3) a sign that has as its purpose the protection of life and property;

(4) a directional or other official sign authorized by law, including a sign pertaining to natural wonders or scenic or historic attractions;

(5) a sign or marker giving information about the location of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers, or waterlines;

(6) a sign erected by an agency of the state or a political subdivision of the state; and

(7) a sign erected solely for and relating to a public election, but only if:
(A) the sign is on private property;
(B) the sign is erected no sooner than the 60th day before the election and is removed no later than the 10th day after the election;
(C) the sign is constructed of lightweight material; and
(D) the surface area of the sign is not larger than 50 square feet.

(b) The following are exempt from the requirements of Section 5 of this article:
(1) signs advertising the sale or lease of property on which they are located; and
(2) on-premise wall signs.
(c) The exemption provided by Subsection (a)(2) of this section does not exempt a sign from Section 13 of this article to the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the 120th day after the effective date of this article each owner of an off-premise sign erected before the effective date of this article that is visible from the main-travelled way of a rural road shall either remove the sign or register the sign with the commission. The owner must pay a fee of $25 for each sign that is registered. This registration is valid for one year, but is renewable for an annual fee of $10 a sign, provided however, the commission may by regulation provide for a longer renewal period not to exceed five years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A person who intentionally violates this article or a rule adopted by
the commission under this article is liable to the state for a civil penalty. The attorney general or a county or district attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150 nor more than $1,000 for each violation, depending on the seriousness of the violation. A separate civil penalty may be collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the commission may, after notice and an opportunity for hearing before the commission, assess an administrative penalty against a person who intentionally violates this article or a rule adopted by the commission under this article. The amount of an administrative penalty may not exceed the maximum amount of a civil penalty under this section. A continuing violation is subject to separate administrative penalties in the same manner as it is subject to separate civil penalties. A proceeding on the assessment of an administrative penalty under this subsection is a contested case for purposes of the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of the assessment of an administrative penalty under this subsection, the manner of review is by trial de novo.

(d) If it is shown at the trial for collection of a civil penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, or a judgment for an administrative penalty, was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent
violation the court shall order the revocation of any permit held
by the person for the location at which the subsequent violation
occurred.

(e) Civil and administrative penalties collected under this
article shall be deposited in the state treasury to the credit of
the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by
Section 10 of this article, permit or registration fees collected
by the commission under this article shall be deposited in the
state treasury to the credit of the state highway fund.

SECTION 16. REGULATION OF OFF-PREMISE PORTABLE SIGNS IN
certain counties. (a) The regulations imposed by or adopted under
the other sections of this article do not apply to off-premise
portable signs in the unincorporated area of a county with a
population of 1.7 million or more, according to the most recent
federal census. In such a county, the commissioners court may
provide off-premise portable signs in the unincorporated area of
the county and may regulate the following matters in that area:

(1) the location, height, size, and anchoring of off-premise
portable signs; and

(2) other matters relating to the use of off-premise
portable signs.

(b) If a county prohibition or regulation adopted under this
section conflicts with state law or with a rule adopted under state
law by a state agency, the county prohibition or regulation
prevails. If a county prohibition or regulation adopted under
this section conflicts with a municipal sign ordinance that has

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been extended within the municipality's extraterritorial jurisdiction as permitted by Article 3 of this Act, the municipal ordinance prevails in that area.

(c) The appropriate attorney representing the county in the district court may seek injunctive relief to prevent the violation or threatened violation of a prohibition or regulation adopted under this section.

(d) The commissioners court may define an offense for the violation of a prohibition or regulation adopted under this section. If the commissioners court defines an offense, the offense is a Class C misdemeanor. The offense is prosecuted in the same manner as an offense defined by state law.

ARTICLE 3

SECTION 1. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION.

Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as defined by the Municipal Annexation Act (Article 970a, Vernon's Texas Civil Statutes). However, any municipality, in lieu of such regulatory ordinances, may allow the State Highway and Public Transportation Commission to regulate outdoor signs in that city's extraterritorial jurisdiction by filing a written notice with the commission.

SECTION 2. PRECEDENCE OF MUNICIPAL ORDINANCE. If a municipality extends its outdoor sign ordinance within its area of extraterritorial jurisdiction, the municipal ordinance supersedes the regulations imposed by or adopted under Article 2 of this Act.

ARTICLE 4
SECTION 1. Section 3, Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions;

(2) be predominantly open and, because of obsolete platting or deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the city or town;

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community;

(4) be located wholly within an area which meets the
requirements for federal assistance under Section 119 of the
Housing and Community Development Act of 1974; [en]

(5) encompass signs, billboards, and other outdoor
advertising structures designated by the governing body of the
incorporated city or town for relocation, reconstruction, or
removal for the purpose of enhancing the physical environment of
the city or town, which the legislature hereby declares to be a
public purpose; or

(6) be designated a local or state-federal enterprise zone
under the Texas Enterprise Zone Act.

(b) For the purposes of Subdivision (3) of Subsection (a) of
this section, a federally assisted new community is a federally
assisted area that received or will receive assistance in the form
of loan guarantees under Title X of the National Housing Act and a
portion of the federally assisted area has received grants under
Section 107(a)(1) of the Housing and Community Development Act of
1974.

(c) The governing body of an incorporated city or town may
designate, by boundaries, as a reinvestment zone any area, or real
or personal property whose use is directly related to the business
of outdoor advertising, within the taxing jurisdiction of the city
or town that the governing body finds to satisfy the requirements
of Subsection (a) of this section, subject to the limitations set
forth by Section 4 of this Act. The governing body of an
incorporated city or town shall designate a reinvestment zone
eligible for residential property tax abatement, or
commercial-industrial tax abatement, or tax incentive financing as

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provided for in the Texas Tax Increment Financing Act of 1981
(Article 1066e, Vernon's Texas Civil Statutes) [S.B.-No.-167, 67th legislature, 1st-called-session, 1981].

ARTICLE 5

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985, except that Article 3 of this Act takes effect immediately.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 5(a) of Article 1, to the extent that provision excludes modes of compensation not specifically authorized by that provision. If this exclusion of alternative modes of compensation is for any reason held invalid by a final judgment of a court of competent jurisdiction, the remainder of this Act is void.

(b) Except as provided by Subsection (a) of this section, this Act is severable as provided by Chapter 45, Acts of the 63rd Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act affects a court-approved settlement entered into before the effective date of this Act in any litigation in a court of the United States involving the validity of municipal regulation of signs. To the extent a provision of this Act conflicts with the terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force according to its terms, and it is so enacted.
Amend the floor substitute to C.S.H.B. 1330 by adding a new Subsection 6(k) to read as follows:

"For a sign erected after the effective date of this Act and as to any sign currently in place which is made non-conforming by an extension of or strengthening of an ordinance which was in effect on June 1, 1985, and contained an amortization plan, then the amortization period shall equal useful life as determined by the board in subsection (h) but without regard to the computations provided in subsection (h)(1), (2), or (3)."

ADOPTED

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Summary of the Senate
Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location. The owner is responsible for designating the alternative site. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign because of the reconstruction, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(e) For a sign that is required to be removed, compensable costs include the cash value of the sign, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(f) If a sign is required to be removed, the owner of the real property on which the sign was located is entitled to be compensated for the decrease in the value of the real property. The compensable cost is to be determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

SECTION 3. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 2 of this article, the
governing body of any municipality is authorized to utilize only
the following methods prescribed by this section, or a combination
of those methods.

(b) The municipality, acting pursuant to the Property
Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas
Civil Statutes), may abate municipal property taxes that otherwise
would be owed by the owner of a sign that is required to be
relocated or reconstructed. The abated taxes may be on any real or
personal property owned by the owner of the sign except residential
property. The right to the abatement of taxes is assignable by the
holder, and the assignee may use the right to abatement with
respect to taxes on any nonresidential property in the same taxing
jurisdiction. In any municipality where tax abatement is utilized
in order to pay compensable costs, such costs shall include
reasonable interest and such abatement period shall not exceed five
years.

(c) The municipality may allocate all or any part of the
municipal property taxes paid on signs, on the real property upon
which the signs are located, or on other real or personal property
owned by the owner of the sign to a special fund in the municipal
treasury, to be known as the sign abatement and community
beautification fund, and make payments from that fund to reimburse
compensable costs to owners of signs required to be relocated,
reconstructed, or removed.

(d) The municipality may provide for the issuance of sign
abatement revenue bonds and use the proceeds to make payments to
reimburse costs to the owners of signs required to be relocated,
reconstructed, or removed. The municipality may only use the
proceeds from such bonds for the removal, relocation, or
reconstruction of signs within the corporate limits of such
municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of
compensation is at issue and the compensation is to be provided
over a period longer than one year, the court shall consider
whether the duration of the period is reasonable under the
circumstances.

(g) If application of a municipal regulation would require
reconstruction of a sign in a manner that would make it ineffective
for its intended purpose, such as by substantially impairing the
sign's visibility, application of the regulation is treated as the
required removal of the sign for purposes of this article.

(h) In lieu of paying compensation, a city may exempt from
required relocation, reconstruction, or removal those signs
lawfully in place on the effective date of the requirement.

SECTION 4. EXCEPTIONS. (a) The requirements of this
article do not apply to any sign that was erected in violation of
local ordinances, laws, or regulations applicable at the time of
its erection.

(b) The requirements of this article do not apply to a sign
that, having been permitted to remain in place as a nonconforming
use, is required to be removed by a municipality because the sign,
or a substantial part of it, is blown down or otherwise destroyed
or dismantled for any purpose other than maintenance operations or
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for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 60 percent of the
cost of erecting a new sign of the same type at the same location.

(d) The requirements of this article do not apply to any
sign which:

(1) is constructed between April 23, 1985, and September 1,
1985; and

(2) does not conform to the standards prescribed by this Act
on its effective date.

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the
legislature to promote and control the reasonable, orderly, and
effective display of outdoor advertising on all highways and roads
located outside the corporate limits of cities, towns, and villages
in Texas to promote the recreational value of public travel, and to
preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:

(1) "Commission" means the State Highway and Public
Transportation Commission.

(2) "Rural road" means a road, street, way, thoroughfare, or
bridge that is located in an unincorporated area and is not
privately owned or controlled, any part of which is open to the
public for vehicular traffic, and over which the state or any of
its political subdivisions have jurisdiction.

(3) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform and that is visible from the main-travelled way of a rural road.

(4) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or corporation.

(7) "Portable sign" means a sign designed to be mounted on a trailer, bench, wheeled carrier, or other nonmotorized mobile structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign having a face area of 301 square feet or more may not be erected within 1,500 feet of another off-premise sign on the same side of the roadway.

(b) An off-premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100 square feet may not be erected within 300 feet of another
off-premise sign on the same side of the roadway.

(d) For purposes of this section, each double-faced, back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in violation of this section because of their nearness to one another if they are located so that their messages are directed toward traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or off-premise sign may not be erected that exceeds an overall height of 42-1/2 feet, excluding cutouts extending above the rectangular border, measured from the highest point on the sign to the grade level of the roadway from which the sign is to be viewed. Provided, however, one sign per location shall be exempted from the height restrictions of this section if such location is visible from the main-travelled way of an interstate or primary system as such terms are defined in Chapter 741, Acts of the 67th Legislature, Regular Session, 1981 (Article 4477-9a, Vernon’s Texas Civil Statutes). A roof sign having a tight or solid surface may not at any point exceed 24 feet above the roof level. Open roof signs in which the uniform open area is not less than 40 percent of total gross area may be erected to a height of 40 feet above the roof level. The lowest point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other than an on-premise wall sign, may not be erected that has a face area exceeding 400 square feet, including cutouts but excluding uprights, trim, and apron. An off-premise sign may not be erected
that has a face area exceeding 672 square feet, excluding cutouts, uprights, trim, and apron. Neither an on-premise nor an off-premise sign may have a cutout with an area larger than 20 percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a double-faced, back-to-back, or V-type nature, each face is considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE SIGNS. (a) Each on-premise or off-premise sign erected or sited must be designed to resist wind loads as follows:

<table>
<thead>
<tr>
<th>Height, in feet above ground, as measured above the average level of the ground adjacent to the structure</th>
<th>Pressure, pounds per square foot</th>
</tr>
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<tbody>
<tr>
<td>0 - 30</td>
<td>20</td>
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<tr>
<td>31 - 50</td>
<td>25</td>
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<td>51 - 99</td>
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<td>100 - 199</td>
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<td>200 - 299</td>
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<td>300 - 399</td>
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<td>400 - 500</td>
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<td>501 - 800</td>
<td>70</td>
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<tr>
<td>Over 800</td>
<td>77</td>
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</tbody>
</table>
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(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period.

(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article; or

(2) violates a commission rule adopted under this article.
(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance which may, in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

SECTION 9A. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION. Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as otherwise provided by law. However, any municipality, in lieu of such regulatory ordinances, may allow the commission to regulate outdoor signs in said city's extraterritorial jurisdiction by filing a written notice with the commission.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled way of a rural road without having first obtained a permit from the department. A permit issued under this section is valid for one year. The commission by rule shall prescribe fees for the issuance of permits in amounts determined by the commission to be sufficient to enable the commission to recover the costs of enforcement of this article. Fees collected under this section shall be deposited
in the state treasury and may be used only for the enforcement of
this article. Except as authorized pursuant to this Act, no permit
may be issued for an off-premise sign unless such sign is to be
located within 800 feet of one or more recognized commercial or
industrial business activities and located on the same side of the
roadway as such business.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any
sign, or a substantial part of it, is blown down or otherwise
destroyed or taken down or removed for any purpose other than
maintenance operations or for changing the letters, symbols, or
other matter on the sign, it may not be reerected, reconstructed,
or rebuilt except in full conformance with the provisions and
requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 50 percent of the
cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from
this article:

(1) a sign in existence before the effective date of this
article;

(2) a sign that has as its purpose the protection of life
and property;

(3) a directional or other official sign authorized by law,
including a sign pertaining to natural wonders or scenic or
historic attractions;

(4) a sign or marker giving information about the location
of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers, or waterlines;

(5) a sign erected by an agency of the state or a political subdivision of the state; and

(6) a sign erected solely for and relating to a public election, but only if:

(A) the sign is on private property;
(B) the sign is erected no sooner than the 60th day before the election and is removed no later than the 10th day after the election;
(C) the sign is constructed of lightweight material; and
(D) the surface area of the sign is not larger than 50 square feet.

(b) The following are exempt from the requirements of Section 5 of this article:

(1) signs advertising the sale or lease of property on which they are located; and
(2) on-premise wall signs.

(c) The exemption provided by Subsection (a)(1) of this section does not exempt a sign from Section 13 of this article to the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the 120th day after the effective date of this article each owner of an off-premise sign erected before the effective date of this article that is visible from the main-travelled way of a rural road shall either remove the sign or register the sign with the commission. The owner must pay a fee of $25 for each sign that is registered.
This registration is valid for one year, but is renewable for an annual fee of $10 a sign, provided however, the commission may by regulation provide for a longer renewal period not to exceed five years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A person who intentionally violates this article or a rule adopted by the commission under this article is liable to the state for a civil penalty. The attorney general or a county or district attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150 nor more than $1,000 for each violation, depending on the seriousness of the violation. A separate civil penalty may be collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the commission may, after notice and an opportunity for hearing before the commission, assess an administrative penalty against a person who intentionally violates this article or a rule adopted by the commission under this article. The amount of an administrative penalty may not exceed the maximum amount of a civil penalty under this section. A continuing violation is subject to separate administrative penalties in the same manner as it is subject to separate civil penalties. A proceeding on the assessment of an administrative penalty under this subsection is a contested case for purposes of the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of the assessment of an administrative penalty under this subsection, the manner of review is by trial de novo.
(d) If it is shown at the trial for collection of a civil penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, or a judgment for an administrative penalty, was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent violation the court shall order the revocation of any permit held by the person for the location at which the subsequent violation occurred.

(e) Civil and administrative penalties collected under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by Section 10 of this article, permit or registration fees collected by the commission under this article shall be deposited in the state treasury to the credit of the state highway fund.

ARTICLE 3

SECTION 1. Section 3, Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon’s Texas Civil Statutes), is amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of

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substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions;

(2) be predominantly open and, because of obsolete platting or deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the city or town;

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community;

(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974; [er]

(5) encompass signs, billboards, and other outdoor advertising structures designated by the governing body of the incorporated city or town for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the city or town, which the legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act.
(b) For the purposes of Subdivision (3) of Subsection (a) of this section, a federally assisted new community is a federally assisted area that received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act and a portion of the federally assisted area has received grants under Section 107(a)(1) of the Housing and Community Development Act of 1974.

(c) The governing body of an incorporated city or town may designate, by boundaries, as a reinvestment zone any area, or real or personal property whose use is directly related to the business of outdoor advertising, within the taxing jurisdiction of the city or town that the governing body finds to satisfy the requirements of Subsection (a) of this section, subject to the limitations set forth by Section 4 of this Act. The governing body of an incorporated city or town shall designate a reinvestment zone eligible for residential property tax abatement, or commercial-industrial tax abatement, or tax incentive financing as provided for in the Texas Tax Increment Financing Act of 1981 (Article 1066e, Vernon's Texas Civil Statutes) [S.B.-No.-167,-67th legislature,-1st-Called-Session,-1983].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 3(a) of Article 1, to the extent that provision excludes modes of compensation not specifically
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authorized by that provision. If this exclusion of alternative
modes of compensation is for any reason held invalid by a final
judgment of a court of competent jurisdiction, the remainder of
this Act is void.

(b) Except as provided by Subsection (a) of this section,
this Act is severable as provided by Chapter 45, Acts of the 63rd
Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas
Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act
affects a court-approved settlement entered into before the
effective date of this Act in any litigation in a court of the
United States involving the validity of municipal regulation of
signs. To the extent a provision of this Act conflicts with the
terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended.
SENATE AMENDMENT NO. 1

A BILL TO BE ENTITLED

AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. LEGISLATIVE INTENT. (a) This article is not intended to require a municipality to provide for the relocation, reconstruction, or removal of any sign in the municipality, nor is it intended to prohibit a municipality from requiring the relocation, reconstruction, or removal of any sign. This article is intended only to authorize a municipality to take that action and to establish the procedure by which the municipality may do so.

(b) This article is not intended to require a municipality to make a cash payment to compensate the owner of a sign that the municipality requires to be relocated, reconstructed, or removed. Cash payment is established as only one of several methods from which a municipality may choose in compensating the owner of a sign.

(c) This article is not intended to affect any eminent domain proceeding in which the taking of a sign is only an incidental part of the exercise of the eminent domain power.

SECTION 2. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform.

(2) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(3) "Off-premise sign" means a sign displaying advertising copy 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.

(4) "Municipality" means an incorporated city, town, or village, including a home-rule city.

SECTION 3. MUNICIPAL BOARD. (a) If a municipality requires the relocation, reconstruction, or removal of a sign within its corporate limits, the presiding officer of the governing body of the municipality shall appoint a municipal board on sign control. The board must be composed of the following persons:

(1) two persons who must be real estate appraisers registered with the Society of Real Estate Appraisers;

(2) one person who must be engaged in the sign business in the municipality;

(3) one person who must be an employee of the State Department of Highways and Public Transportation and must be familiar with real estate valuations in eminent domain proceedings; and
(4) one person who must be an architect or a landscape architect licensed by this state.

(b) A member of the board is appointed for a term of two years.

(c) The board has the powers and duties given to it by this article.

SECTION 4. RELOCATION, RECONSTRUCTION, OR REMOVAL OF SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of this article, a municipality may require the relocation, reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated, reconstructed, or removed is entitled to be compensated by the municipality as provided by this section for costs associated with the relocation, reconstruction, or removal. The municipal board on sign control shall determine under this section the amount of the compensation. The determination shall be made after the owner of the sign is given the opportunity for a hearing before the board about the issues involved in the matter.

(c) For a sign that is required to be relocated, compensable costs include the expenses of dismantling the sign, transporting it to another site, and reereciting it, determined according to the standards and procedures applicable in a proceeding under Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location.
The owner is responsible for designating the alternative site. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign because of the reconstruction, determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

(e)(1) For an off-premise sign that is required to be removed, the compensable cost is an amount computed by determining the average annual gross revenue received by the owner from the sign during the two years immediately preceding the month in which the removal date for the sign occurs and by multiplying that amount by three. If the sign has not been in existence for the entire two-year period, the compensable cost is an amount computed by dividing 12 by the number of months that the sign has been in existence, multiplying that result by the total amount of the gross revenue received for the period that the sign has been in existence, and multiplying that result by three. In determining the amounts under this paragraph, a sign is treated as if it were in existence for the entire month if it was in existence for more than 15 days of the month and is treated as if it were not in existence for any part of the month if it was in existence for 15 or fewer days of the month.

(2) For an on-premise sign that is required to be removed,
the compensable cost is an amount computed by determining a reasonable balance between the original cost of the sign, less depreciation, and the current replacement cost of the sign, less an adjustment for the present age and condition of the sign.

(f) If a sign is required to be removed, the owner of the real property on which the sign was located is entitled to be compensated for the decrease in the value of the real property. The compensable cost is to be determined according to standards and procedures applicable in a proceeding under Chapter 21, Property Code.

SECTION 5. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 4 of this article, the governing body of any municipality is authorized to utilize only the following methods prescribed by this section, or a combination of those methods.

(b) The municipality, acting pursuant to the Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), may abate municipal property taxes that otherwise would be owed by the owner of a sign that is required to be relocated or reconstructed. The abated taxes may be on any real or personal property owned by the owner of the sign except residential property. The right to the abatement of taxes is assignable by the holder, and the assignee may use the right to abatement with respect to taxes on any nonresidential property in the same taxing jurisdiction. In any municipality where tax abatement is utilized in order to pay compensable costs, such costs shall include reasonable interest and such abatement period shall not exceed five
years.

(c) The municipality may allocate all or any part of the municipal property taxes paid on signs, on the real property upon which the signs are located, or on other real or personal property owned by the owner of the sign to a special fund in the municipal treasury, to be known as the sign abatement and community beautification fund, and make payments from that fund to reimburse compensable costs to owners of signs required to be relocated, reconstructed, or removed.

(d) The municipality may provide for the issuance of sign abatement revenue bonds and use the proceeds to make payments to reimburse costs to the owners of signs required to be relocated, reconstructed, or removed. The municipality may only use the proceeds from such bonds for the removal, relocation, or reconstruction of signs within the corporate limits of such municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of compensation is at issue and the compensation is to be provided over a period longer than one year, the court shall consider whether the duration of the period is reasonable under the circumstances.

(g) If application of a municipal regulation would require reconstruction of a sign in a manner that would make it ineffective for its intended purpose, such as by substantially impairing the sign's visibility, application of the regulation is treated as the required removal of the sign for purposes of this article.
(h) In lieu of paying compensation, a city may exempt from required relocation, reconstruction, or removal those signs lawfully in place on the effective date of the requirement.

SECTION 6. SPECIAL PROVISIONS FOR SIGNS UNDER SIGN ORDINANCE ON CERTAIN DATE. (a) If, on June 1, 1985, a municipality has in effect an ordinance requiring the relocation, reconstruction, or removal of any sign and if the ordinance provides for compensating a sign owner under an amortization plan, the compensation for a sign's relocation, reconstruction, or removal is to be determined under this section instead of under Section 4 of this article.

(b) The municipal board on sign control shall compile a list of the signs that, on September 1, 1985, are not in compliance with the sign ordinance. The board shall compile the list before December 1, 1985.

(c) Before December 15, 1985, the board shall have made a diligent effort to mail a written notice to the owner of each sign on the list. The notice must be sent through the United States Postal Service. The notice must state that the sign is on the list of signs that are not in compliance with the sign ordinance, must describe the sign by general type and by location, and must describe the action that is required of the owner under Subsection (d) of this section. If either the identification of an owner of a sign on the list or the address of the owner cannot be determined by the board after the board has made a diligent effort to do so, the board, before December 15, 1985, shall cause a notice to be published in a newspaper of general circulation in the municipality. The newspaper notice must contain information
similar to that required to be in the personal written notice.

(d) Before February 1, 1986, the owner of a sign that is on
the list compiled by the board shall file with the board a record
of the owner's signs that the owner determines can be brought into
compliance with the sign ordinance at a cost of 15 percent or less
of the value of the sign and also shall file another record of the
signs that the owner determines cannot be brought into compliance
at that cost. If an owner fails to file the required information
about a sign, the board shall treat the sign as if the owner had
recorded it as being unable to be brought into compliance at the
cost of 15 percent or less.

(e) Before March 15, 1986, the board shall verify the
records filed with the board under Subsection (d) of this section.
If the board questions an owner's determination made under
Subsection (d), the board shall obtain three competitive bids
regarding the cost at which the sign can be brought into compliance
with the sign ordinance. After receiving the bids, the board may
make its own determination regarding the sign. The verification,
including any determination the board may make as authorized by
this subsection, may be made only after the owner of the signs is
given an opportunity for a hearing before the board about the
issues involved in the matter. As part of the verification process
the board shall appraise the value of the signs at market value.

(f) Of an owner's signs that the board verifies can be
brought into compliance at the cost of 15 percent or less, the
board shall permit the owner to keep one-half of those signs as
nonconforming uses and shall require the other one-half to be
brought into compliance at no cost to the municipality. If an
owner has an odd number of signs involved, the one additional sign
that prevents an exact one-half division shall be added to the
number of signs permitted as nonconforming uses. In making its
determination of which signs to permit as nonconforming uses and
which to require to be brought into compliance, the board shall
consider the requests of the owner and shall consider other
relevant factors, including factors such as geography, density,
value, traffic flow, and cost of compliance.

(g) The signs that are required to be brought into
compliance are subject to the following schedule:

(1) one-third of those signs must be brought into compliance
before July 1, 1986;

(2) another one-third of those signs must be brought into
compliance before July 1, 1987; and

(3) the remaining one-third must be brought into compliance
before July 1, 1988.

(h) For signs that the board verifies cannot be brought into
compliance at the cost of 15 percent or less, the board shall
determine the entire useful life of those signs by type or
category, such as the categories of mono-pole signs, metal signs,
and wood signs. For those signs, the governing body of the
municipality may:

(1) permit the signs to be kept in place as nonconforming
uses for a period computed by taking the entire useful life of the
sign, subtracting from that useful life the period that the sign
has been under the municipality's amortization plan, and
multiplying that result by 65 percent; or

(2) pay the sign owner, by one of the methods described by Section 5 of this article, 65 percent of the compensable costs of the relocation, reconstruction, or removal of the sign, as those costs are determined under Section 4 of this article.

(i) For each sign that cannot be brought into compliance at the cost of 15 percent or less, the board shall file with the appropriate property tax appraisal office the board's market value appraisal of the sign. The board shall file the information on or before March 15, 1986. The appraisal office shall consider the board's appraisal when the office, for property tax purposes, determines in 1986 and later years the appraised value of the real property to which the sign is attached.

SECTION 7. EXCEPTIONS. (a) The requirements of this article do not apply to any sign that was erected in violation of local ordinances, laws, or regulations applicable at the time of its erection.

(b) The requirements of this article do not apply to a sign that, having been permitted to remain in place as a nonconforming use, is required to be removed by a municipality because the sign, or a substantial part of it, is blown down or otherwise destroyed or dismantled for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 60 percent of the cost of erecting a new sign of the same type at the same location.
(d) This article does not apply to an off-premise sign that is erected and maintained in compliance with the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes).

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the legislature to promote and control the reasonable, orderly, and effective display of outdoor advertising on all highways and roads located outside the corporate limits of cities, towns, and villages in Texas to promote the recreational value of public travel, and to preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:

(1) "Commission" means the State Highway and Public Transportation Commission.

(2) "Rural road" means a road, street, way, thoroughfare, or bridge that is located in an unincorporated area and is not privately owned or controlled, any part of which is open to the public for vehicular traffic, and over which the state or any of its political subdivisions have jurisdiction.

(3) "Sign" means an outdoor structure, sign, display, light device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform and that is visible from the main-travelled way of a rural road.

(4) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or
activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or corporation.

(7) "Portable sign" means a sign designed to be mounted on a trailer, bench, wheeled carrier, or other nonmotorized mobile structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign having a face area of 301 square feet or more may not be erected within 1,500 feet of another off-premise sign on the same side of the roadway.

(b) An off-premise sign having a face area of at least 100 but less than 301 square feet may not be erected within 500 feet of another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100 square feet may not be erected within 300 feet of another off-premise sign on the same side of the roadway.

(d) For purposes of this section, each double-faced, back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in violation of this section because of their nearness to one another if they are located so that their messages are directed toward traffic flowing in different directions.
SECTION 4. HEIGHT RESTRICTIONS. An on-premise or 
off-premise sign may not be erected that exceeds an overall height 
of 42-1/2 feet, excluding cutouts extending above the rectangular 
border, measured from the highest point on the sign to the grade 
level of the roadway from which the sign is to be viewed. A roof 
sign having a tight or solid surface may not at any point exceed 24 
feet above the roof level. Open roof signs in which the uniform 
open area is not less than 40 percent of total gross area may be 
erected to a height of 40 feet above the roof level. The lowest 
point on a projecting sign must be at least 14 feet above grade. 

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other 
than an on-premise wall sign, may not be erected that has a face 
area exceeding 400 square feet, including cutouts but excluding 
uprights, trim, and apron. An off-premise sign may not be erected 
that has a face area exceeding 672 square feet, excluding cutouts, 
uprights, trim, and apron. Neither an on-premise nor an 
off-premise sign may have a cutout with an area larger than 20 
percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a 
double-faced, back-to-back, or V-type nature, each face is 
considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE 
SIGNS. (a) Each on-premise or off-premise sign erected or sited 
must be designed to resist wind loads as follows:

WIND LOAD PRESSURES IN POUNDS

PER SQUARE FOOT FOR ALL SIGNS

Height, in feet
above ground, as
measured above the
average level of
the ground adjacent
to the structure

<table>
<thead>
<tr>
<th>Pressure, pounds per square foot</th>
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<tbody>
<tr>
<td>0 - 30</td>
</tr>
<tr>
<td>31 - 50</td>
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<tr>
<td>51 - 99</td>
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<td>100 - 199</td>
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<td>200 - 299</td>
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<td>300 - 399</td>
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<tr>
<td>400 - 500</td>
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<tr>
<td>501 - 800</td>
</tr>
<tr>
<td>Over 800</td>
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</tbody>
</table>

(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.
(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period.

Any person engaged primarily in the business of erecting signs that advertise companies located or products sold on the premises on which the signs are erected must file with the commission a surety bond in the amount of at least $100,000 and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by the person; a person may not be exempted from this requirement.

(c) The commission may revoke a permit issued under this article if the permittee:

(1) violates any provision or requirement of this article; or

(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the revocation to a district court in Travis County. The appeal must be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if
erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance
which may, in appropriate cases and subject to appropriate
conditions and safeguards, make special exceptions to the
provisions of this article.

SECTION 9A. REGULATION IN CITY EXTRATERRITORIAL
JURISDICTION. Any municipality may extend the provisions of its
outdoor sign regulatory ordinance and enforce such ordinance within
its area of extraterritorial jurisdiction as otherwise provided by
law. However, any municipality, in lieu of such regulatory
ordinances, may allow the commission to regulate outdoor signs in
said city's extraterritorial jurisdiction by filing a written
notice with the commission.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not
erect an off-premise sign that is visible from the main-travelled
way of a rural road without having first obtained a permit from the
commission. A permit issued under this section is valid for one
year. The commission by rule shall prescribe fees for the issuance
of permits in amounts determined by the commission to be sufficient
to enable the commission to recover the costs of enforcement of
this article. Fees collected under this section shall be deposited
in the state treasury and may be used only for the enforcement of
this article. Except as authorized pursuant to this Act, no permit
may be issued for an off-premise sign unless such sign is to be
located within 800 feet of one or more recognized commercial or
industrial business activities and located on the same side of the
roadway as such business.
SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any sign, or a substantial part of it, is blown down or otherwise destroyed or taken down or removed for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign, it may not be reerected, reconstructed, or rebuilt except in full conformance with the provisions and requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from this article:

(1) A sign the erection and maintenance of which is allowed under the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes);

(2) A sign in existence before the effective date of this article;

(3) A sign that has as its purpose the protection of life and property;

(4) A directional or other official sign authorized by law, including a sign pertaining to natural wonders or scenic or historic attractions;

(5) A sign or marker giving information about the location of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers, or waterlines;
(6) a sign erected by an agency of the state or a political subdivision of the state; and

(7) a sign erected solely for and relating to a public election, but only if:

(A) the sign is on private property;

(B) the sign is erected no sooner than the 60th day before the election and is removed no later than the 10th day after the election;

(C) the sign is constructed of lightweight material; and

(D) the surface area of the sign is not larger than 50 square feet.

(b) The following are exempt from the requirements of Section 5 of this article:

(1) signs advertising the sale or lease of property on which they are located; and

(2) on-premise wall signs.

(c) The exemption provided by Subsection (a)(2) of this section does not exempt a sign from Section 13 of this article to the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the 120th day after the effective date of this article each owner of an off-premise sign erected before the effective date of this article that is visible from the main-travelled way of a rural road shall either remove the sign or register the sign with the commission. The owner must pay a fee of $25 for each sign that is registered. This registration is valid for one year, but is renewable for an annual fee of $10 a sign, provided however, the commission may by
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regulation provide for a longer renewal period not to exceed five years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A person who intentionally violates this article or a rule adopted by the commission under this article is liable to the state for a civil penalty. The attorney general or a county or district attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150 nor more than $1,000 for each violation, depending on the seriousness of the violation. A separate civil penalty may be collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the commission may, after notice and an opportunity for hearing before the commission, assess an administrative penalty against a person who intentionally violates this article or a rule adopted by the commission under this article. The amount of an administrative penalty may not exceed the maximum amount of a civil penalty under this section. A continuing violation is subject to separate administrative penalties in the same manner as it is subject to separate civil penalties. A proceeding on the assessment of an administrative penalty under this subsection is a contested case for purposes of the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of the assessment of an administrative penalty under this subsection, the manner of review is by trial de novo.

(d) If it is shown at the trial for collection of a civil penalty under this section or on appeal of an administrative
penalty under this section that a judgment for a civil penalty, or
a final order, not timely appealed, or a judgment for an
administrative penalty, was previously assessed against the person,
in addition to any penalty that may be assessed for the subsequent
violation the court shall order the revocation of any permit held
by the person for the location at which the subsequent violation
occurred.

(e) Civil and administrative penalties collected under this
article shall be deposited in the state treasury to the credit of
the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by
Section 10 of this article, permit or registration fees collected
by the commission under this article shall be deposited in the
state treasury to the credit of the state highway fund.

SECTION 16. AUTHORITY OF CERTAIN COUNTIES OVER OFF-PREMISE
PORTABLE SIGNS. (a) Notwithstanding any other provision of this
article, the commissioners court of a county with a population of
1.7 million or more, according to the most recent federal census,
has exclusive authority to prohibit off-premise portable signs in
the unincorporated area of the county and to regulate the following
matters in that area:

(1) the location, height, size, and anchoring of off-premise
portable signs; and

(2) other matters relating to the use of off-premise
portable signs.

(b) If a county prohibition or regulation adopted under this
section conflicts with state law or with a rule adopted under state
law by a state agency, the county prohibition or regulation
prevails.
(c) The appropriate attorney representing the county in the
district court may seek injunctive relief to prevent the violation
or threatened violation of a prohibition or regulation adopted
under this section.
(d) The commissioners court may define an offense for the
violation of a prohibition or regulation adopted under this
section. If the commissioners court defines an offense, the
offense is a Class C misdemeanor. The offense is prosecuted in the
same manner as an offense defined by state law.

ARTICLE 3

SECTION 1. Section 3, Property Redevelopment and Tax
Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is
amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be
designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a
city or town, retard the provision of housing accommodations, or
constitute an economic or social liability and be a menace to the
public health, safety, morals, or welfare in its present condition
and use by reason of the presence of a substantial number of
substandard, slum, deteriorated, or deteriorating structures;
predominance of defective or inadequate sidewalk or street layout;
faulty lot layout in relation to size, accessibility, or
usefulness; unsanitary or unsafe conditions; deterioration of site
or other improvements; tax or special assessment delinquency
exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions;

(2) be predominantly open and, because of obsolete platting or deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the city or town;

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community;

(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974; [es]

(5) encompass signs, billboards, and other outdoor advertising structures designated by the governing body of the incorporated city or town for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the city or town, which the legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act.

(b) For the purposes of Subdivision (3) of Subsection (a) of this section, a federally assisted new community is a federally assisted area that received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act and a portion of the federally assisted area has received grants under
Section 107(a)(1) of the Housing and Community Development Act of 1974.

(c) The governing body of an incorporated city or town may designate, by boundaries, as a reinvestment zone any area, or real or personal property whose use is directly related to the business of outdoor advertising, within the taxing jurisdiction of the city or town that the governing body finds to satisfy the requirements of Subsection (a) of this section, subject to the limitations set forth by Section 4 of this Act. The governing body of an incorporated city or town shall designate a reinvestment zone eligible for residential property tax abatement, or commercial-industrial tax abatement, or tax incentive financing as provided for in the Texas Tax Increment Financing Act of 1981 (Article 1066e, Vernon's Texas Civil Statutes) [83rd-87th Legislature, 1st Called Session, 1983].

ARTICLE 4

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 5(a) of Article 1, to the extent that provision excludes modes of compensation not specifically authorized by that provision. If this exclusion of alternative modes of compensation is for any reason held invalid by a final judgment of a court of competent jurisdiction, the remainder of this Act is void.

(b) Except as provided by Subsection (a) of this section,
this Act is severable as provided by Chapter 45, Acts of the 63rd Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act affects a court-approved settlement entered into before the effective date of this Act in any litigation in a court of the United States involving the validity of municipal regulation of signs. To the extent a provision of this Act conflicts with the terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Mcfarland

SENATE AMENDMENT NO. 2

Amend C.S.H.B. 1330 by striking all below the enacting clause and substituting the following:

ARTICLE 1

SECTION 1. LEGISLATIVE INTENT. (a) This article is not intended to require a municipality to provide for the relocation, reconstruction, or removal of any sign in the municipality, nor is it intended to prohibit a municipality from requiring the relocation, reconstruction, or removal of any sign. This article is intended only to authorize a municipality to take that action and to establish the procedure by which the municipality may do so.

(b) This article is not intended to require a municipality
to make a cash payment to compensate the owner of a sign that the
municipality requires to be relocated, reconstructed, or removed.
Cash payment is established as only one of several methods from
which a municipality may choose in compensating the owner of a
sign.

(c) This article is not intended to affect any eminent
domain proceeding in which the taking of a sign is only an
incidental part of the exercise of the eminent domain power.

SECTION 2. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform.

(2) "On-premise sign" means a freestanding sign identifying
or advertising a business, person, or activity, and installed and
maintained on the same premises as the business, person, or
activity.

(3) "Off-premise sign" means a sign displaying advertising
copy 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.

(4) "Municipality" means an incorporated city, town, or
village, including a home-rule city.

SECTION 3. MUNICIPAL BOARD. (a) If a municipality requires
the relocation, reconstruction, or removal of a sign within its
corporate limits or extraterritorial jurisdiction, the presiding
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officer of the governing body of the municipality shall appoint a
municipal board on sign control. The board must be composed of the
following persons:

(1) two persons who must be real estate appraisers
registered with the Society of Real Estate Appraisers or the
American Institute of Real Estate Appraisers;

(2) one person who must be engaged in the sign business in
the municipality;

(3) one person who must be an employee of the State
Department of Highways and Public Transportation and must be
familiar with real estate valuations in eminent domain proceedings;
and

(4) one person who must be an architect or a landscape
architect licensed by this state.

(b) A member of the board is appointed for a term of two
years.

(c) The board has the powers and duties given to it by this
article.

SECTION 4. RELOCATION, RECONSTRUCTION, OR REMOVAL OF
SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of
this article, a municipality may require the relocation,
reconstruction, or removal of any sign within its corporate limits
or extraterritorial jurisdiction.

(b) The owner of a sign that is required to be relocated,
reconstructed, or removed is entitled to be compensated by the
municipality as provided by this section for costs associated with
the relocation, reconstruction, or removal. The municipal board on
sign control shall determine under this section the amount of the compensation. The determination shall be made after the owner of the sign is given the opportunity for a hearing before the board about the issues involved in the matter.

(c) For a sign that is required to be relocated, compensable costs include the expenses of dismantling the sign, transporting it to another site, and reerecting it, determined by the board according to the standards applicable in a proceeding under Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased operating costs (including increased rent) at the new location. The owner is responsible for designating an alternative site where the erection of the sign would be in compliance with the sign ordinance. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign in excess of 15 percent of that value due to the reconstruction, determined by the board according to standards applicable in a proceeding under Chapter 21, Property Code.

(e)(1) For an off-premise sign that is required to be removed, the compensable cost is an amount computed by determining
the average annual gross revenue received by the owner from the
sign during the two years immediately preceding September 1, 1985,
or the two years immediately preceding the month in which the
removal date of the sign occurs, whichever is less, and by
multiplying that amount by three. If the sign has not been in
existence for all of either two-year period, the average annual
gross revenue for that period, for the purpose of this computation,
is an amount computed by dividing 12 by the number of months that
the sign has been in existence, and multiplying that result by the
total amount of the gross revenue received for the period that the
sign has been in existence. However, if the sign did not generate
revenue for at least one month preceding September 1, 1985, this
computation of compensable costs is to be made using only the
average annual gross revenue received during the two years
immediately preceding the month in which the removal date of the
sign occurs, and by multiplying that amount by three. In
determining the amounts under this paragraph, a sign is treated as
if it were in existence for the entire month if it was in existence
for more than 15 days of the month and is treated as if it were not
in existence for any part of the month if it was in existence for
15 or fewer days of the month.

(2) For an on-premise sign that is required to be removed,
the compensable cost is an amount computed by determining a
reasonable balance between the original cost of the sign, less
depreciation, and the current replacement cost of the sign, less an
adjustment for the present age and condition of the sign.

(f) If an off-premise sign is required to be removed and the
sign owner's compensable cost for the sign is to be determined under Subsection (e)(1) of this section, the owner of the real property on which the sign was located is entitled to be compensated for any decrease in the value of the real property. The compensable cost is to be determined by the board according to standards applicable in a proceeding under Chapter 21, Property Code.

(g) For each nonconforming sign, the board shall file with the appropriate property tax appraisal office the board's compensable costs value appraisal of the sign. The appraisal office shall consider the board's appraisal when the office, for property tax purposes, determines the appraised value of the real property to which the sign is attached.

SECTION 5. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 4 of this article, the governing body of any municipality is authorized to utilize only the following methods prescribed by this section, or a combination of those methods.

(b) The municipality, acting pursuant to the Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), may abate municipal property taxes that otherwise would be owed by the owner of a sign that is required to be relocated or reconstructed. The abated taxes may be on any real or personal property owned by the owner of the sign except residential property. The right to the abatement of taxes is assignable by the holder, and the assignee may use the right to abatement with respect to taxes on any nonresidential property in the same taxing
jurisdiction. In any municipality where tax abatement is utilized in order to pay compensable costs, such costs shall include reasonable interest and such abatement period shall not exceed five years.

(c) The municipality may allocate all or any part of the municipal property taxes paid on signs, on the real property upon which the signs are located, or on other real or personal property owned by the owner of the sign to a special fund in the municipal treasury, to be known as the sign abatement and community beautification fund, and make payments from that fund to reimburse compensable costs to owners of signs required to be relocated, reconstructed, or removed.

(d) The municipality may provide for the issuance of sign abatement revenue bonds and use the proceeds to make payments to reimburse costs to the owners of signs required to be relocated, reconstructed, or removed. The municipality may only use the proceeds from such bonds for the removal, relocation, or reconstruction of signs within the corporate limits of such municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of compensation is at issue and the compensation is to be provided over a period longer than one year, the court shall consider whether the duration of the period is reasonable under the circumstances.

(g) If application of a municipal regulation would require reconstruction of a sign in a manner that would make it ineffective
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for its intended purpose, such as by substantially impairing the
sign's visibility, application of the regulation is treated as the
required removal of the sign for purposes of this article.

(h) In lieu of paying compensation, a city may exempt from
required relocation, reconstruction, or removal those signs
lawfully in place on the effective date of the requirement.

SECTION 6. SPECIAL PROVISIONS FOR SIGNS UNDER SIGN ORDINANCE
ON CERTAIN DATE. (a) If, on June 1, 1985, a municipality has in
effect an ordinance requiring the relocation, reconstruction, or
removal of any sign and if the ordinance provides for compensating
a sign owner under an amortization plan, the compensation for a
sign's relocation, reconstruction, or removal is to be determined
under this section instead of under Section 4 of this article.

(b) The municipal board on sign control shall compile a list
of the signs that, on September 1, 1985, are not in compliance with
the sign ordinance. The board shall compile the list before
December 1, 1985.

(c) Before December 15, 1985, the board shall have made a
diligent effort to mail a written notice to the owner of each sign
on the list. The notice must be sent through the United States
Postal Service by certified or registered mail with return receipt
requested. The notice must state that the sign is on the list of
signs that are not in compliance with the sign ordinance, must
describe the sign by general type and by location, and must
describe the action that is required of the owner under Subsection
(d) of this section. If either the identification of an owner of a
sign on the list or the address of the owner cannot be determined
AMEND THE CAPTION TO CONFORM TO THE BODY OF THE BILL

ADOPTED

MAY 25 1985

[Signature]
Secretary of the Senate
SENATE AMENDMENTS
2nd Printing

By Messer, et al. H.B. No. 1330

A BILL TO BE ENTITLED

AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform.

(2) "Municipality" means an incorporated city, town, or
village, including a home-rule city.

SECTION 2. RELOCATION, RECONSTRUCTION, OR REMOVAL OF
SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of
this article, a municipality may require the relocation,
reconstruction, or removal of any sign within its corporate limits.

(b) The owner of a sign that is required to be relocated,
reconstructed, or removed is entitled to be compensated by the
municipality as provided by this section for costs associated with
the relocation, reconstruction, or removal.

(c) For a sign that is required to be relocated, compensable
costs include the expenses of dismantling the sign, transporting it
to another site, and reerecting it, and the decrease in value of
the property on which the sign was located, determined according to
the standards and procedures applicable in a proceeding under
by the board after the board has made a diligent effort to do so, the board, before December 15, 1985, shall cause a notice to be published in a newspaper of general circulation in the municipality. The newspaper notice must contain information similar to that required to be in the personal written notice.

(d) Before February 1, 1986, the owner of a sign that is on the list compiled by the board shall file with the board a record of the owner's signs that the owner determines can be brought into compliance with the sign ordinance at a cost of 15 percent or less of the value of the sign and also shall file another record of the signs that the owner determines cannot be brought into compliance at that cost. If an owner fails to timely file the required information about a sign, the board shall treat the sign as if the owner had recorded it as being able to be brought into compliance at a cost of 15 percent or less.

(e) Before March 15, 1986, the board shall verify the records filed with the board under Subsection (d) of this section. If the board questions an owner's determination made under Subsection (d), the board shall obtain three competitive bids regarding the cost at which the sign can be brought into compliance with the sign ordinance. After receiving the bids, the board may make its own determination regarding the sign. The verification, including any determination the board may make as authorized by this subsection, may be made only after the owner of the signs is given an opportunity for a hearing before the board about the issues involved in the matter. As part of the verification process the board shall appraise the value of the signs at compensable
(f) Of an owner's signs that the board verifies can be brought into compliance at the cost of 15 percent or less, the board shall permit the owner to keep one-half of those signs as nonconforming uses and shall require the other one-half to be brought into compliance at no cost to the municipality. If an owner has more than one sign and the total number of signs is an odd number, the one additional sign that prevents an exact one-half division shall be added to the number of signs permitted as nonconforming uses. In making its determination of which signs to permit as nonconforming uses and which to require to be brought into compliance, the board shall consider the requests of the owner and shall consider other relevant factors, including factors such as geography, density, value, traffic flow, and cost of compliance.

(g) The signs that are required to be brought into compliance are subject to the following schedule:

(1) one-third of those signs must be brought into compliance before July 1, 1986;

(2) another one-third of those signs must be brought into compliance before July 1, 1987; and

(3) the remaining one-third must be brought into compliance before July 1, 1988.

(h) For signs that the board verifies cannot be brought into compliance at the cost of 15 percent or less, the board shall determine the entire useful life of those signs by type or category, such as the categories of mono-pole signs, metal signs, and wood signs. The useful life may not be solely determined by
the natural life expectancy of a sign. For those signs, the
governing body of the municipality may:

(1) permit the signs within the corporate limits of the
municipality to be kept in place as nonconforming uses for a period
computed by taking the entire useful life of the sign, subtracting
from that useful life the period that the sign has been under the
municipality's amortization plan, and multiplying that result by 65
percent;

(2) permit the signs within the extraterritorial
jurisdiction of a municipality to be kept in place as nonconforming
uses for a period computed by taking the entire useful life of the
sign and multiplying that useful life by 65 percent; or

(3) pay the sign owner, by one of the methods described by
Section 5 of this article, 65 percent of the compensable costs of
the relocation, reconstruction, or removal of the sign, as those
costs are determined under Section 4 of this article.

(i) For each nonconforming sign, the board shall file with
the appropriate property tax appraisal office the board's
compensable costs value appraisal of the sign. The board shall
file the information on or before March 15, 1986. The appraisal
office shall consider the board's appraisal when the office, for
property tax purposes, determines in 1986 and later years the
appraised value of the real property to which the sign is attached.

(j) If a sign is required to be removed and the sign owner
is to be compensated under Subsection (h)(3) of this section, the
owner of the real property on which the sign was located is
entitled to be compensated for 65 percent of any decrease in the
value of the real property. The compensable cost is to be
determined by the board according to standards applicable in a
proceeding under Chapter 21, Property Code. The governing body of
the municipality may pay the owner by one of the methods described
by Section 5 of this article.

SECTION 7. APPEAL. (a) Any person aggrieved by a decision
of the board may present to a district court a petition, duly
verified, setting forth that the decision is illegal, in whole or
in part, and specifying the grounds of the illegality. The
petition must be presented to the court not later than the 20th day
after the day the decision is rendered by the board.

(b) Upon presentation of the petition, the court may allow a
writ of certiorari directed to the board to review the decision of
the board and shall prescribe in the writ the time within which a
return must be made, which may not be less than 10 days and may be
extended by the court.

(c) The board is not required to return the original papers
acted upon by it, but it shall be sufficient to return certified or
sworn copies of the papers. The return must concisely set forth
all other facts as may be pertinent and material to show the
grounds of the decision appealed from and must be verified.

(d) The court may reverse or affirm, wholly or partly, or
may modify the decision brought up for review.

(e) Costs may not be allowed against the board unless it
shall appear to the court that the board acted with gross
negligence, in bad faith, or with malice in making the decision
appealed from.
C.S.H.B. No. 1330

SECTION 8. EXCEPTIONS. (a) The requirements of this article do not apply to any sign that was erected in violation of local ordinances, laws, or regulations applicable at the time of its erection.

(b) The requirements of this article do not apply to a sign that, having been permitted to remain in place as a nonconforming use, is required to be removed by a municipality because the sign, or a substantial part of it, is blown down or otherwise destroyed or dismantled for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 60 percent of the cost of erecting a new sign of the same type at the same location.

(d) This article may not be construed to limit or restrict the compensation provisions of the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes).

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the legislature to promote and control the reasonable, orderly, and effective display of outdoor advertising on all highways and roads located outside the corporate limits of cities, towns, and villages in Texas to promote the recreational value of public travel, and to preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:

(1) "Commission" means the State Highway and Public
Transportation Commission.

(2) "Rural road" means a road, street, way, thoroughfare, or bridge that is located in an unincorporated area and is not privately owned or controlled, any part of which is open to the public for vehicular traffic, and over which the state or any of its political subdivisions have jurisdiction.

(3) "Sign" means an outdoor structure, sign, display, light device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to advertise or inform and that is visible from the main-travelled way of a rural road.

(4) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(5) "Off-premise sign" means a sign displaying advertising copy 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.

(6) "Person" means an individual, association, or corporation.

(7) "Portable sign" means a sign designed to be mounted on a trailer, bench, wheeled carrier, or other nonmotorized mobile structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign having a face area of 301 square feet or more may not be erected
within 1,500 feet of another off-premise sign on the same side of
the roadway.

(b) An off-premise sign having a face area of at least 100
but less than 301 square feet may not be erected within 500 feet of
another off-premise sign on the same side of the roadway.

(c) An off-premise sign having a face area of less than 100
square feet may not be erected within 150 feet of another
off-premise sign on the same side of the roadway.

(d) For purposes of this section, each double-faced,
back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in
violation of this section because of their nearness to one another
if they are located so that their messages are directed toward
traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or
off-premise sign may not be erected that exceeds an overall height
of 42-1/2 feet, excluding cutouts extending above the rectangular
border, measured from the highest point on the sign to the grade
level of the roadway from which the sign is to be viewed. A roof
sign having a tight or solid surface may not at any point exceed 24
feet above the roof level. Open roof signs in which the uniform
open area is not less than 40 percent of total gross area may be
erected to a height of 40 feet above the roof level. The lowest
point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other
than an on-premise wall sign, may not be erected that has a face
area exceeding 400 square feet, including cutouts but excluding
uprights, trim, and apron. An off-premise sign may not be erected
that has a face area exceeding 672 square feet, excluding cutouts,
uprights, trim, and apron. Neither an on-premise nor an
off-premise sign may have a cutout with an area larger than 20
percent of the sign's surface copy area.

SECTION 6. DETERMINATION OF SIZE. For signs of a
double-faced, back-to-back, or V-type nature, each face is
considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE
SIGNS. (a) Each on-premise or off-premise sign erected or sited
must be designed to resist wind loads as follows:
WIND LOAD PRESSURES IN POUNDS
PER SQUARE FOOT FOR ALL SIGNS

<table>
<thead>
<tr>
<th>Height, in feet</th>
<th>Pressure, pounds per square foot</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 5</td>
<td>0</td>
</tr>
<tr>
<td>6 - 30</td>
<td>20</td>
</tr>
<tr>
<td>31 - 50</td>
<td>25</td>
</tr>
<tr>
<td>51 - 99</td>
<td>35</td>
</tr>
<tr>
<td>100 - 199</td>
<td>45</td>
</tr>
<tr>
<td>200 - 299</td>
<td>50</td>
</tr>
<tr>
<td>300 - 399</td>
<td>55</td>
</tr>
<tr>
<td>400 - 500</td>
<td>60</td>
</tr>
<tr>
<td>501 - 800</td>
<td>70</td>
</tr>
<tr>
<td>Over 800</td>
<td>77</td>
</tr>
</tbody>
</table>

(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.

SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs
C.S.H.B. No. 1330

covered under this article. The commission shall adopt rules
specifying the time for and manner of applying for a permit, the
form of the permit application, and the information that must be
included in a permit application.

(b) The commission by rule may require every applicant for a
permit to file with the commission a surety bond or other security
in a reasonable amount and payable to the commission to reimburse
it for the cost of removing a sign unlawfully erected or maintained
by a permittee. A rule adopted under this section must provide for
exemption from the requirement of furnishing a bond or security for
an applicant who has held five or more permits under this article
for at least one year and has not violated this article or a rule
adopted under this article during the preceding 12-month period.
Any person engaged primarily in the business of erecting signs that
advertise companies located or products sold on the premises on
which the signs are erected must file with the commission a surety
bond in the amount of at least $100,000 and payable to the
commission to reimburse it for the cost of removing a sign
unlawfully erected or maintained by the person; a person may not be
exempted from this requirement.

(c) The commission may revoke a permit issued under this
article if the permittee:

(1) violates any provision or requirement of this article;
or

(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the
revocation to a district court in Travis County. The appeal must
be taken not later than the 15th day after the date of the commission's action.

(e) The commission shall issue a permit to a person whose application complies with the commission's rules and whose sign, if erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance which may, in appropriate cases and subject to appropriate conditions and safeguards, make special exceptions to the provisions of this article.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not erect an off-premise sign that is visible from the main-travelled way of a rural road without having first obtained a permit from the commission. A permit issued under this section is valid for one year. The commission by rule shall prescribe fees for the issuance of permits in amounts determined by the commission to be sufficient to enable the commission to recover the costs of enforcement of this article. Fees collected under this section shall be deposited in the state treasury and may be used only for the enforcement of this article. Except as authorized pursuant to this Act, no permit may be issued for an off-premise sign unless such sign is to be located within 800 feet of one or more recognized commercial or industrial business activities and located on the same side of the roadway as such business.

SECTION 11. REPAIR OR REPAIR OF SIGN. (a) When any sign, or a substantial part of it, is blown down or otherwise destroyed or taken down or removed for any purpose other than maintenance operations or for changing the letters, symbols, or
other matter on the sign, it may not be reerected, reconstructed, or rebuilt except in full conformance with the provisions and requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 50 percent of the cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from this article:

(1) a sign the erection and maintenance of which is allowed under the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes);

(2) a sign in existence before the effective date of this article;

(3) a sign that has as its purpose the protection of life and property;

(4) a directional or other official sign authorized by law, including a sign pertaining to natural wonders or scenic or historic attractions;

(5) a sign or marker giving information about the location of underground electric transmission lines, telegraph or telephone properties and facilities, pipelines, public sewers, or waterlines;

(6) a sign erected by an agency of the state or a political subdivision of the state; and

(7) a sign erected solely for and relating to a public election, but only if:
(A) the sign is on private property;

(B) the sign is erected no sooner than the 60th day before
the election and is removed no later than the 10th day after the
election;

(C) the sign is constructed of lightweight material; and

(D) the surface area of the sign is not larger than 50
square feet.

(b) The following are exempt from the requirements of
Section 5 of this article:

(1) signs advertising the sale or lease of property on which
they are located; and

(2) on-premise wall signs.

(c) The exemption provided by Subsection (a)(2) of this
section does not exempt a sign from Section 13 of this article to
the extent that section applies.

SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the
120th day after the effective date of this article each owner of an
off-premise sign erected before the effective date of this article
that is visible from the main-travelled way of a rural road shall
either remove the sign or register the sign with the commission.
The owner must pay a fee of $25 for each sign that is registered.
This registration is valid for one year, but is renewable for an
annual fee of $10 a sign, provided however, the commission may by
regulation provide for a longer renewal period not to exceed five
years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A
person who intentionally violates this article or a rule adopted by
the commission under this article is liable to the state for a civil penalty. The attorney general or a county or district attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150 nor more than $1,000 for each violation, depending on the seriousness of the violation. A separate civil penalty may be collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the commission may, after notice and an opportunity for hearing before the commission, assess an administrative penalty against a person who intentionally violates this article or a rule adopted by the commission under this article. The amount of an administrative penalty may not exceed the maximum amount of a civil penalty under this section. A continuing violation is subject to separate administrative penalties in the same manner as it is subject to separate civil penalties. A proceeding on the assessment of an administrative penalty under this subsection is a contested case for purposes of the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of the assessment of an administrative penalty under this subsection, the manner of review is by trial de novo.

(d) If it is shown at the trial for collection of a civil penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, or a judgment for an administrative penalty, was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent
violation the court shall order the revocation of any permit held
by the person for the location at which the subsequent violation
occurred.

(e) Civil and administrative penalties collected under this
article shall be deposited in the state treasury to the credit of
the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by
Section 10 of this article, permit or registration fees collected
by the commission under this article shall be deposited in the
state treasury to the credit of the state highway fund.

SECTION 16. REGULATION OF OFF-PREMISE PORTABLE SIGNS IN
CERTAIN COUNTIES. (a) The regulations imposed by or adopted under
the other sections of this article do not apply to off-premise
portable signs in the unincorporated area of a county with a
population of 1.7 million or more, according to the most recent
federal census. In such a county, the commissioners court may
prohibit off-premise portable signs in the unincorporated area of
the county and may regulate the following matters in that area:

(1) the location, height, size, and anchoring of off-premise
portable signs; and

(2) other matters relating to the use of off-premise
portable signs.

(b) If a county prohibition or regulation adopted under this
section conflicts with state law or with a rule adopted under state
law by a state agency, the county prohibition or regulation
prevails. If a county prohibition or regulation adopted under
this section conflicts with a municipal sign ordinance that has
been extended within the municipality's extraterritorial jurisdiction as permitted by Article 3 of this Act, the municipal ordinance prevails in that area.

(c) The appropriate attorney representing the county in the district court may seek injunctive relief to prevent the violation or threatened violation of a prohibition or regulation adopted under this section.

(d) The commissioners court may define an offense for the violation of a prohibition or regulation adopted under this section. If the commissioners court defines an offense, the offense is a Class C misdemeanor. The offense is prosecuted in the same manner as an offense defined by state law.

ARTICLE 3

SECTION 1. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION.

Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as defined by the Municipal Annexation Act (Article 970a, Vernon's Texas Civil Statutes). However, any municipality, in lieu of such regulatory ordinances, may allow the State Highway and Public Transportation Commission to regulate outdoor signs in that city's extraterritorial jurisdiction by filing a written notice with the commission.

SECTION 2. PRECEDENCE OF MUNICIPAL ORDINANCE. If a municipality extends its outdoor sign ordinance within its area of extraterritorial jurisdiction, the municipal ordinance supersedes the regulations imposed by or adopted under Article 2 of this Act.
ARTICLE 4

SECTION 1. Section 3, Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions;

(2) be predominantly open and, because of obsolete platting or deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the city or town;

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community;
(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974; or

(5) encompass signs, billboards, and other outdoor advertising structures designated by the governing body of the incorporated city or town for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the city or town, which the legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act.

(b) For the purposes of Subdivision (3) of Subsection (a) of this section, a federally assisted new community is a federally assisted area that received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act and a portion of the federally assisted area has received grants under Section 107(a)(1) of the Housing and Community Development Act of 1974.

(c) The governing body of an incorporated city or town may designate, by boundaries, as a reinvestment zone any area, or real or personal property whose use is directly related to the business of outdoor advertising, within the taxing jurisdiction of the city or town that the governing body finds to satisfy the requirements of Subsection (a) of this section, subject to the limitations set forth by Section 4 of this Act. The governing body of an incorporated city or town shall designate a reinvestment zone eligible for residential property tax abatement, or
commercial-industrial tax abatement, or tax incentive financing as provided for in the Texas Tax Increment Financing Act of 1981 (Article 1066e, Vernon's Texas Civil Statutes) [S.B.-No.---36,--67th Legislature, 1st-Gailed-Session---1981].

ARTICLE 5

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985, except that Article 3 of this Act takes effect immediately.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 5(a) of Article 1, to the extent that provision excludes modes of compensation not specifically authorized by that provision. If this exclusion of alternative modes of compensation is for any reason held invalid by a final judgment of a court of competent jurisdiction, the remainder of this Act is void.

(b) Except as provided by Subsection (a) of this section, this Act is severable as provided by Chapter 45, Acts of the 63rd Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act affects a court-approved settlement entered into before the effective date of this Act in any litigation in a court of the United States involving the validity of municipal regulation of signs. To the extent a provision of this Act conflicts with the terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
C.S.H.B. No. 1330

and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended,
and that this Act take effect and be in force according to its
terms, and it is so enacted.

69R7607 MRB-D McFarland

SENATE AMENDMENT NO. 3

Amend the floor substitute to C.S.H.B. 1330 by adding a new
Subsection 6(k) to read as follows:

"For a sign erected after the effective date of this Act and
as to any sign currently in place which is made non-conforming by
an extension of or strengthening of an ordinance which was in
effect on June 1, 1985, and contained an amortization plan then the
amortization period shall equal useful life as determined by the
board in Subsection (h) but without regard to the computations
provided in Subsection (h)(1)(2) or (3)."

McFarland

SENATE AMENDMENT NO. 4

Amend the caption to conform to the body of the bill.
Honorable Ray Farabee, Chairman  
Committee on State Affairs  
Senate Chamber  
Austin, Texas  

In Re: Senate Committee Substitute for  
House Bill No. 1330  

Sir:  

In response to your request for a Fiscal Note on Senate Committee Substitute for  
House Bill No. 1330 (relating to state and local regulation of outdoor signs)  
this office has determined the following:  

The bill would authorize a municipality to take action necessary to  
relocate, reconstruct, or remove any sign in the municipality and to establish  
the procedures by which the municipality may do so.  

A special provision is included for all cities which have ordinances as of  
June 1, 1985 providing for compensation for owners of signs which are not in  
compliance with city ordinances. Nine cities currently have such amortization  
plans. For these cities, compensation would be calculated according to a  
formula in the bill.  

For all other cities, a different rate of compensation is required for the  
relocation, reconstruction, or removal of any sign that is not in compliance  
with city ordinances. The fiscal implication to units of local government  
cannot be determined.  

The bill would make no appropriation but could provide the legal basis for  
an appropriation of funds to implement the provisions of the bill.  

The bill would also authorize the State Department of Highways and Public  
Transportation to control and issue sign permits and renewals on all state and  
state political subdivision roads. Currently, the department only issues  
permits on interstate and federal aid primary roads and does not require renewal  
of permits.  

The State Department of Highways and Public Transportation estimates that  
there are 10,000 existing signs with 300 new signs each year. The cost of  
administration and revenue are based on the statutory fee of $25 with a renewal  
fee of $10.00 on existing signs.  

The revenue from fees would be deposited to the credit of the State Highway  
Fund and could be appropriated for administration of the Act. The estimated  
cost of administration, however, exceeds the estimated revenue from the fees.  
For purposes of this fiscal note it is assumed that other revenues transferred  
from the General Revenue Fund to the State Highway Fund could legally be used  
for administration of this Act if appropriated for that purpose, thereby  
avoiding the question of using constitutionally dedicated revenues.  

The probable fiscal implication of implementing the provisions of the bill  
during each of the first five years following passage is estimated as follows:  

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Probable Administrative Cost Out of the State Highway Fund</th>
<th>Probable Revenue Gain to the State Highway Fund</th>
<th>Change in Number of State Employees from FY 1985</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>$776,364</td>
<td>$250,000</td>
<td>+ 24</td>
</tr>
<tr>
<td>1987</td>
<td>776,364</td>
<td>107,500</td>
<td>+ 24</td>
</tr>
<tr>
<td>1988</td>
<td>776,364</td>
<td>107,500</td>
<td>+ 24</td>
</tr>
<tr>
<td>1989</td>
<td>776,364</td>
<td>107,500</td>
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<tr>
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<td>107,500</td>
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</tr>
</tbody>
</table>

69FSCSHB1330
Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, PA
LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE
May 10, 1985

Honorable Ray Farabee, Chairman
Committee on State Affairs
Senate Chamber
Austin, Texas

In Re: House Bill No. 1330, as engrossed
By: Messer

Sir:

In response to your request for a Fiscal Note on House Bill No. 1330, as engrossed (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would also authorize the State Department of Highways and Public Transportation to control and issue sign permits and renewals on all state and state political subdivision roads. Currently, the department only issues permits on interstate and federal aid primary roads and does not require renewal of permits.

The State Department of Highways and Public Transportation estimates that there are 10,000 existing signs with 300 new signs each year. The cost of administration and revenue are based on the statutory fee of $25 with a renewal fee of $10.00 on existing signs.

The revenue from fees would be deposited to the credit of the State Highway Fund and could be appropriated for administration of the Act. The estimated cost of administration, however, exceeds the estimated revenue from the fees. For purposes of this fiscal note it is assumed that other revenues transferred from the General Revenue Fund to the State Highway Fund could legally be used for administration of this Act if appropriated for that purpose, thereby avoiding the question of using constitutionally dedicated revenues.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<table>
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69FHB1330ae
Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, BL
FISCAL NOTE
March 24, 1985

Honorable Pete Laney, Chair
Committee on State Affairs
House of Representatives
Austin, Texas

In Re: House Bill No. 1330
By: Messer

Sir:

In response to your request for a Fiscal Note on House Bill No. 1330 (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

The bill would also authorize the State Department of Highways and Public Transportation to control and issue sign permits and renewals on all state and state political subdivision roads. Currently, the department only issues permits on interstate and federal aid primary roads and does not require renewal of permits.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Probable Administrative Cost</th>
<th>Probable Revenue Gain to the State Highway Fund</th>
<th>Change in Number of State Employees from FY 1985</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>$776,364</td>
<td>$250,000</td>
<td>+ 24</td>
</tr>
<tr>
<td>1987</td>
<td>776,364</td>
<td>107,500</td>
<td>+ 24</td>
</tr>
<tr>
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<td>+ 24</td>
</tr>
<tr>
<td>1989</td>
<td>776,364</td>
<td>107,500</td>
<td>+ 24</td>
</tr>
<tr>
<td>1990</td>
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<td>107,500</td>
<td>+ 24</td>
</tr>
</tbody>
</table>

Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, BL

69FHB1330
Honor. Pete Laney, Chair
Committee on State Affairs
House of Representatives
Austin, Texas

In Re: House Bill No. 1330, as amended
By: Messer

Sir:

In response to your request for a Fiscal Note on House Bill No. 1330, as amended (relating to state and local regulation of outdoor signs) this office has determined the following:

The bill would require those cities which regulate outdoor sign location through an amortization period to compensate sign owners retroactively for costs associated with relocation, reconstruction, or removal of signs. Nine cities currently enforce amortization periods for sign removal at the end of which a sign owner must meet city specifications at his own expense. The cost of this bill to these cities is not known but is expected to be significant. Houston officials anticipate a possible $60 million cost for removal of its nonconforming outdoor signs.

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The probable fiscal implications of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Probable Administrative Cost Out of the State Highway Fund</th>
<th>Probable Revenue Gain to the State Highway Fund</th>
<th>Change in Number of State Employees from FY 1985</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
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Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

Jim Oliver
Director

Source: Department of Highways and Public Transportation; Comptroller of Public Accounts; Texas Municipal League; LBB Staff: JO, JH, AL, LV
AN ACT

relating to state and local regulation of outdoor signs.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1

SECTION 1. LEGISLATIVE INTENT. (a) This article is not intended to require a municipality to provide for the relocation, reconstruction, or removal of any sign in the municipality, nor is it intended to prohibit a municipality from requiring the relocation, reconstruction, or removal of any sign. This article is intended only to authorize a municipality to take that action and to establish the procedure by which the municipality may do so.

(b) This article is not intended to require a municipality to make a cash payment to compensate the owner of a sign that the municipality requires to be relocated, reconstructed, or removed. Cash payment is established as only one of several methods from which a municipality may choose in compensating the owner of a sign.

(c) This article is not intended to affect any eminent domain proceeding in which the taking of a sign is only an incidental part of the exercise of the eminent domain power.

SECTION 2. DEFINITIONS. In this article:

(1) "Sign" means an outdoor structure, sign, display, light device, figure, painting, drawing, message, plaque, poster, billboard, or other thing that is designed, intended, or used to
(2) "On-premise sign" means a freestanding sign identifying or advertising a business, person, or activity, and installed and maintained on the same premises as the business, person, or activity.

(3) "Off-premise sign" means a sign displaying advertising copy 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.

(4) "Municipality" means an incorporated city, town, or village, including a home-rule city.

SECTION 3. MUNICIPAL BOARD. (a) If a municipality requires the relocation, reconstruction, or removal of a sign within its corporate limits or extraterritorial jurisdiction, the presiding officer of the governing body of the municipality shall appoint a municipal board on sign control. The board must be composed of the following persons:

(1) two persons who must be real estate appraisers registered with the Society of Real Estate Appraisers or the American Institute of Real Estate Appraisers;

(2) one person who must be engaged in the sign business in the municipality;

(3) one person who must be an employee of the State Department of Highways and Public Transportation and must be familiar with real estate valuations in eminent domain proceedings; and
(4) one person who must be an architect or a landscape architect licensed by this state.

(b) A member of the board is appointed for a term of two years.

(c) The board has the powers and duties given to it by this article.

SECTION 4. RELOCATION, RECONSTRUCTION, OR REMOVAL OF SIGN: COMPENSATION OF OWNER. (a) Subject to the requirements of this article, a municipality may require the relocation, reconstruction, or removal of any sign within its corporate limits or extraterritorial jurisdiction.

(b) The owner of a sign that is required to be relocated, reconstructed, or removed is entitled to be compensated by the municipality as provided by this section for costs associated with the relocation, reconstruction, or removal. The municipal board on sign control shall determine under this section the amount of the compensation. The determination shall be made after the owner of the sign is given the opportunity for a hearing before the board about the issues involved in the matter.

(c) For a sign that is required to be relocated, compensable costs include the expenses of dismantling the sign, transporting it to another site, and reereciting it, determined by the board according to the standards applicable in a proceeding under Chapter 21, Property Code. In addition, the municipality shall issue to the owner an appropriate permit or other authority to operate at an alternative site of substantially equivalent value a substitute sign of the same type and compensate the owner for any increased
operating costs (including increased rent) at the new location. The owner is responsible for designating an alternative site where the erection of the sign would be in compliance with the sign ordinance. Whether an alternative site is of substantially equivalent value is determined by standards generally accepted in the outdoor advertising industry, including visibility, traffic count, and demographic factors.

(d) For a sign that is required to be reconstructed, compensable costs include expenses of labor and materials and any loss in the value of the sign in excess of 15 percent of that value due to the reconstruction, determined by the board according to standards applicable in a proceeding under Chapter 21, Property Code.

(e)(1) For an off-premise sign that is required to be removed, the compensable cost is an amount computed by determining the average annual gross revenue received by the owner from the sign during the two years immediately preceding September 1, 1985, or the two years immediately preceding the month in which the removal date of the sign occurs, whichever is less, and by multiplying that amount by three. If the sign has not been in existence for all of either two-year period, the average annual gross revenue for that period, for the purpose of this computation, is an amount computed by dividing 12 by the number of months that the sign has been in existence, and multiplying that result by the total amount of the gross revenue received for the period that the sign has been in existence. However, if the sign did not generate revenue for at least one month preceding September 1, 1985, this
computation of compensable costs is to be made using only the average annual gross revenue received during the two years immediately preceding the month in which the removal date of the sign occurs, and by multiplying that amount by three. In determining the amounts under this paragraph, a sign is treated as if it were in existence for the entire month if it was in existence for more than 15 days of the month and is treated as if it were not in existence for any part of the month if it was in existence for 15 or fewer days of the month.

(2) For an on-premise sign that is required to be removed, the compensable cost is an amount computed by determining a reasonable balance between the original cost of the sign, less depreciation, and the current replacement cost of the sign, less an adjustment for the present age and condition of the sign.

(f) If an off-premise sign is required to be removed and the sign owner's compensable cost for the sign is to be determined under Subsection (e)(1) of this section, the owner of the real property on which the sign was located is entitled to be compensated for any decrease in the value of the real property. The compensable cost is to be determined by the board according to standards applicable in a proceeding under Chapter 21, Property Code.

(g) For each nonconforming sign, the board shall file with the appropriate property tax appraisal office the board's compensable costs value appraisal of the sign. The appraisal office shall consider the board's appraisal when the office, for property tax purposes, determines the appraised value of the real
SECTION 5. METHOD OF COMPENSATION. (a) In order to pay the compensable costs required under Section 4 of this article, the governing body of any municipality is authorized to utilize only the following methods prescribed by this section, or a combination of those methods.

(b) The municipality, acting pursuant to the Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), may abate municipal property taxes that otherwise would be owed by the owner of a sign that is required to be relocated or reconstructed. The abated taxes may be on any real or personal property owned by the owner of the sign except residential property. The right to the abatement of taxes is assignable by the holder, and the assignee may use the right to abatement with respect to taxes on any nonresidential property in the same taxing jurisdiction. In any municipality where tax abatement is utilized in order to pay compensable costs, such costs shall include reasonable interest and such abatement period shall not exceed five years.

(c) The municipality may allocate all or any part of the municipal property taxes paid on signs, on the real property upon which the signs are located, or on other real or personal property owned by the owner of the sign to a special fund in the municipal treasury, to be known as the sign abatement and community beautification fund, and make payments from that fund to reimburse compensable costs to owners of signs required to be relocated, reconstructed, or removed.
(d) The municipality may provide for the issuance of sign abatement revenue bonds and use the proceeds to make payments to reimburse costs to the owners of signs required to be relocated, reconstructed, or removed. The municipality may only use the proceeds from such bonds for the removal, relocation, or reconstruction of signs within the corporate limits of such municipality.

(e) The municipality may pay compensable costs in cash.

(f) In any proceeding in which the reasonableness of compensation is at issue and the compensation is to be provided over a period longer than one year, the court shall consider whether the duration of the period is reasonable under the circumstances.

(g) If application of a municipal regulation would require reconstruction of a sign in a manner that would make it ineffective for its intended purpose, such as by substantially impairing the sign's visibility, application of the regulation is treated as the required removal of the sign for purposes of this article.

(h) In lieu of paying compensation, a city may exempt from required relocation, reconstruction, or removal those signs lawfully in place on the effective date of the requirement.

SECTION 6. SPECIAL PROVISIONS FOR SIGNS UNDER SIGN ORDINANCE ON CERTAIN DATE. (a) If, on June 1, 1985, a municipality has in effect an ordinance requiring the relocation, reconstruction, or removal of any sign and if the ordinance provides for compensating a sign owner under an amortization plan, the compensation for a sign's relocation, reconstruction, or removal is to be determined
under this section instead of under Section 4 of this article.

(b) The municipal board on sign control shall compile a list
of the signs that, on September 1, 1985, are not in compliance with
the sign ordinance. The board shall compile the list before
December 1, 1985.

(c) Before December 15, 1985, the board shall have made a
diligent effort to mail a written notice to the owner of each sign
on the list. The notice must be sent through the United States
Postal Service by certified or registered mail with return receipt
requested. The notice must state that the sign is on the list of
signs that are not in compliance with the sign ordinance, must
describe the sign by general type and by location, and must
describe the action that is required of the owner under Subsection
(d) of this section. If either the identification of an owner of a
sign on the list or the address of the owner cannot be determined
by the board after the board has made a diligent effort to do so,
the board, before December 15, 1985, shall cause a notice to be
published in a newspaper of general circulation in the
municipality. The newspaper notice must contain information
similar to that required to be in the personal written notice.

(d) Before February 1, 1986, the owner of a sign that is on
the list compiled by the board shall file with the board a record
of the owner's signs that the owner determines can be brought into
compliance with the sign ordinance at a cost of 15 percent or less
of the value of the sign and also shall file another record of the
signs that the owner determines cannot be brought into compliance
at that cost. If an owner fails to timely file the required
H.B. No. 1330

information about a sign, the board shall treat the sign as if the
owner had recorded it as being able to be brought into compliance
at a cost of 15 percent or less.

(e) Before March 15, 1986, the board shall verify the
records filed with the board under Subsection (d) of this section.
If the board questions an owner's determination made under
Subsection (d), the board shall obtain three competitive bids
regarding the cost at which the sign can be brought into compliance
with the sign ordinance. After receiving the bids, the board may
make its own determination regarding the sign. The verification,
including any determination the board may make as authorized by
this subsection, may be made only after the owner of the signs is
given an opportunity for a hearing before the board about the
issues involved in the matter. As part of the verification process
the board shall appraise the value of the signs at compensable
costs.

(f) Of an owner's signs that the board verifies can be
brought into compliance at the cost of 15 percent or less, the
board shall permit the owner to keep one-half of those signs as
nonconforming uses and shall require the other one-half to be
brought into compliance at no cost to the municipality. If an
owner has more than one sign and the total number of signs is an
odd number, the one additional sign that prevents an exact one-half
division shall be added to the number of signs permitted as
nonconforming uses. In making its determination of which signs to
permit as nonconforming uses and which to require to be brought
into compliance, the board shall consider the requests of the owner
and shall consider other relevant factors, including factors such
as geography, density, value, traffic flow, and cost of compliance.

(g) The signs that are required to be brought into
compliance are subject to the following schedule:

(1) one-third of those signs must be brought into compliance
before July 1, 1986;

(2) another one-third of those signs must be brought into
compliance before July 1, 1987; and

(3) the remaining one-third must be brought into compliance
before July 1, 1988.

(h) For signs that the board verifies cannot be brought into
compliance at the cost of 15 percent or less, the board shall
determine the entire useful life of those signs by type or
category, such as the categories of mono-pole signs, metal signs,
and wood signs. The useful life may not be solely determined by
the natural life expectancy of a sign. For those signs, the
governing body of the municipality may:

(1) permit the signs within the corporate limits of the
municipality to be kept in place as nonconforming uses for a period
computed by taking the entire useful life of the sign, subtracting
from that useful life the period that the sign has been under the
municipality's amortization plan, and multiplying that result by 65
percent;

(2) permit the signs within the extraterritorial
jurisdiction of a municipality to be kept in place as nonconforming
uses for a period computed by taking the entire useful life of the
sign and multiplying that useful life by 65 percent; or
(3) pay the sign owner, by one of the methods described by
Section 5 of this article, 65 percent of the compensable costs of
the relocation, reconstruction, or removal of the sign, as those
costs are determined under Section 4 of this article.

(i) For each nonconforming sign, the board shall file with
the appropriate property tax appraisal office the board's
compensable costs value appraisal of the sign. The board shall
file the information on or before March 15, 1986. The appraisal
office shall consider the board's appraisal when the office, for
property tax purposes, determines in 1986 and later years the
appraised value of the real property to which the sign is attached.

(j) If a sign is required to be removed and the sign owner
is to be compensated under Subsection (h)(3) of this section, the
owner of the real property on which the sign was located is
entitled to be compensated for 65 percent of any decrease in the
value of the real property. The compensable cost is to be
determined by the board according to standards applicable in a
proceeding under Chapter 21, Property Code. The governing body of
the municipality may pay the owner by one of the methods described
by Section 5 of this article.

(k) For a sign erected after the effective date of this Act
and as to any sign currently in place that is made nonconforming by
an extension of or strengthening of an ordinance that was in effect
on June 1, 1985, and contained an amortization plan, then the
amortization period shall equal useful life as determined by the
board in Subsection (h) but without regard to the computations
provided in Subsection (h)(1), (2), or (3).
SECTION 7. APPEAL. (a) Any person aggrieved by a decision of the board may present to a district court a petition, duly verified, setting forth that the decision is illegal, in whole or in part, and specifying the grounds of the illegality. The petition must be presented to the court not later than the 20th day after the day the decision is rendered by the board.

(b) Upon presentation of the petition, the court may allow a writ of certiorari directed to the board to review the decision of the board and shall prescribe in the writ the time within which a return must be made, which may not be less than 10 days and may be extended by the court.

(c) The board is not required to return the original papers acted upon by it, but it shall be sufficient to return certified or sworn copies of the papers. The return must concisely set forth all other facts as may be pertinent and material to show the grounds of the decision appealed from and must be verified.

(d) The court may reverse or affirm, wholly or partly, or may modify the decision brought up for review.

(e) Costs may not be allowed against the board unless it shall appear to the court that the board acted with gross negligence, in bad faith, or with malice in making the decision appealed from.

SECTION 8. EXCEPTIONS. (a) The requirements of this article do not apply to any sign that was erected in violation of local ordinances, laws, or regulations applicable at the time of its erection.

(b) The requirements of this article do not apply to a sign
that, having been permitted to remain in place as a nonconforming use, is required to be removed by a municipality because the sign, or a substantial part of it, is blown down or otherwise destroyed or dismantled for any purpose other than maintenance operations or for changing the letters, symbols, or other matter on the sign.

(c) For purposes of Subsection (b) of this section, a sign or substantial part of it is considered to have been destroyed only if the cost of repairing the sign is more than 60 percent of the cost of erecting a new sign of the same type at the same location.

(d) This article may not be construed to limit or restrict the compensation provisions of the highway beautification provisions contained in Article IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas Civil Statutes).

ARTICLE 2

SECTION 1. LEGISLATIVE INTENT. It is the intent of the legislature to promote and control the reasonable, orderly, and effective display of outdoor advertising on all highways and roads located outside the corporate limits of cities, towns, and villages in Texas to promote the recreational value of public travel, and to preserve natural beauty.

SECTION 2. DEFINITIONS. In this article:

(1) "Commission" means the State Highway and Public Transportation Commission.

(2) "Rural road" means a road, street, way, thoroughfare, or bridge that is located in an unincorporated area and is not privately owned or controlled, any part of which is open to the public for vehicular traffic, and over which the state or any of
its political subdivisions have jurisdiction.

(3) "Sign" means an outdoor structure, sign, display, light
device, figure, painting, drawing, message, plaque, poster,
billboard, or other thing that is designed, intended, or used to
advertise or inform and that is visible from the main-travelled way
of a rural road.

(4) "On-premise sign" means a freestanding sign identifying
or advertising a business, person, or activity, and installed and
maintained on the same premises as the business, person, or
activity.

(5) "Off-premise sign" means a sign displaying advertising
copy 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.

(6) "Person" means an individual, association, or
corporation.

(7) "Portable sign" means a sign designed to be mounted on a
trailer, bench, wheeled carrier, or other nonmotorized mobile
structure.

SECTION 3. SPACING REQUIREMENTS. (a) An off-premise sign
having a face area of 301 square feet or more may not be erected
within 1,500 feet of another off-premise sign on the same side of
the roadway.

(b) An off-premise sign having a face area of at least 100
but less than 301 square feet may not be erected within 500 feet of
another off-premise sign on the same side of the roadway.
(c) An off-premise sign having a face area of less than 100 square feet may not be erected within 150 feet of another off-premise sign on the same side of the roadway.

(d) For purposes of this section, each double-faced, back-to-back, or V-type sign is treated as a single sign.

(e) Signs located at the same intersection are not in violation of this section because of their nearness to one another if they are located so that their messages are directed toward traffic flowing in different directions.

SECTION 4. HEIGHT RESTRICTIONS. An on-premise or off-premise sign may not be erected that exceeds an overall height of 42-1/2 feet, excluding cutouts extending above the rectangular border, measured from the highest point on the sign to the grade level of the roadway from which the sign is to be viewed. A roof sign having a tight or solid surface may not at any point exceed 24 feet above the roof level. Open roof signs in which the uniform open area is not less than 40 percent of total gross area may be erected to a height of 40 feet above the roof level. The lowest point on a projecting sign must be at least 14 feet above grade.

SECTION 5. FACE RESTRICTIONS. An on-premise sign, other than an on-premise wall sign, may not be erected that has a face area exceeding 400 square feet, including cutouts but excluding uprights, trim, and apron. An off-premise sign may not be erected that has a face area exceeding 672 square feet, excluding cutouts, uprights, trim, and apron. Neither an on-premise nor an off-premise sign may have a cutout with an area larger than 20 percent of the sign's surface copy area.
SECTION 6. DETERMINATION OF SIZE. For signs of a double-faced, back-to-back, or V-type nature, each face is considered a separate sign in computing the face area.

SECTION 7. WIND LOADS; LOCATION AND ANCHORING OF PORTABLE SIGNS. (a) Each on-premise or off-premise sign erected or sited must be designed to resist wind loads as follows:

WIND LOAD PRESSURES IN POUNDS PER SQUARE FOOT FOR ALL SIGNS

Height, in feet above ground, as measured above the average level of the ground adjacent to the structure

<table>
<thead>
<tr>
<th>Height (feet)</th>
<th>Pressure (pounds per square foot)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 5</td>
<td>0</td>
</tr>
<tr>
<td>6 - 30</td>
<td>20</td>
</tr>
<tr>
<td>31 - 50</td>
<td>25</td>
</tr>
<tr>
<td>51 - 99</td>
<td>35</td>
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<td>300 - 399</td>
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</tr>
<tr>
<td>400 - 500</td>
<td>60</td>
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<tr>
<td>501 - 800</td>
<td>70</td>
</tr>
<tr>
<td>Over 800</td>
<td>77</td>
</tr>
</tbody>
</table>

(b) A person may not place a portable sign on property of another without first obtaining written permission from the owner or the owner's authorized agent.
SECTION 8. NUMBER OF ON-PREMISE SIGNS. A business may not maintain more than five on-premise signs per each frontage on a single rural road at a single business location.

SECTION 9. ADMINISTRATION OF ARTICLE; RULEMAKING. (a) The commission shall administer and enforce this article and shall adopt rules to regulate the erection or maintenance of signs covered under this article. The commission shall adopt rules specifying the time for and manner of applying for a permit, the form of the permit application, and the information that must be included in a permit application.

(b) The commission by rule may require every applicant for a permit to file with the commission a surety bond or other security in a reasonable amount and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by a permittee. A rule adopted under this section must provide for exemption from the requirement of furnishing a bond or security for an applicant who has held five or more permits under this article for at least one year and has not violated this article or a rule adopted under this article during the preceding 12-month period. Any person engaged primarily in the business of erecting signs that advertise companies located or products sold on the premises on which the signs are erected must file with the commission a surety bond in the amount of at least $100,000 and payable to the commission to reimburse it for the cost of removing a sign unlawfully erected or maintained by the person; a person may not be exempted from this requirement.

(c) The commission may revoke a permit issued under this
article if the permittee:

(1) violates any provision or requirement of this article;

or

(2) violates a commission rule adopted under this article.

(d) A person whose permit is revoked may appeal the
revocation to a district court in Travis County. The appeal must
be taken not later than the 15th day after the date of the
commission's action.

(e) The commission shall issue a permit to a person whose
application complies with the commission's rules and whose sign, if
erected, would comply with the requirements of this article.

(f) The commission shall provide for a board of variance
which may, in appropriate cases and subject to appropriate
conditions and safeguards, make special exceptions to the
provisions of this article.

SECTION 10. PERMIT FOR ERECTION OF SIGN. A person may not
erect an off-premise sign that is visible from the main-travelled
way of a rural road without having first obtained a permit from the
commission. A permit issued under this section is valid for one
year. The commission by rule shall prescribe fees for the issuance
of permits in amounts determined by the commission to be sufficient
to enable the commission to recover the costs of enforcement of
this article. Fees collected under this section shall be deposited
in the state treasury and may be used only for the enforcement of
this article. Except as authorized pursuant to this Act, no permit
may be issued for an off-premise sign unless such sign is to be
located within 800 feet of one or more recognized commercial or
industrial business activities and located on the same side of the
roadway as such business.

SECTION 11. REPLACEMENT OR REPAIR OF SIGN. (a) When any
sign, or a substantial part of it, is blown down or otherwise
destroyed or taken down or removed for any purpose other than
maintenance operations or for changing the letters, symbols, or
other matter on the sign, it may not be reerected, reconstructed,
or rebuilt except in full conformance with the provisions and
requirements of this article.

(b) For purposes of Subsection (a) of this section, a sign
or substantial part of it is considered to have been destroyed only
if the cost of repairing the sign is more than 50 percent of the
cost of erecting a new sign of the same type at the same location.

SECTION 12. EXEMPTIONS. (a) The following are exempt from
this article:

(1) a sign the erection and maintenance of which is allowed
under the highway beautification provisions contained in Article
IV, Texas Litter Abatement Act (Article 4477-9a, Vernon's Texas
Civil Statutes);

(2) a sign in existence before the effective date of this
article;

(3) a sign that has as its purpose the protection of life
and property;

(4) a directional or other official sign authorized by law,
including a sign pertaining to natural wonders or scenic or
historic attractions;

(5) a sign or marker giving information about the location
of underground electric transmission lines, telegraph or telephone
properties and facilities, pipelines, public sewers, or waterlines;
(6) a sign erected by an agency of the state or a political
subdivision of the state; and
(7) a sign erected solely for and relating to a public
election, but only if:
(A) the sign is on private property;
(B) the sign is erected no sooner than the 60th day before
the election and is removed no later than the 10th day after the
election;
(C) the sign is constructed of lightweight material; and
(D) the surface area of the sign is not larger than 50
square feet.
(b) The following are exempt from the requirements of
Section 5 of this article:
(1) signs advertising the sale or lease of property on which
they are located; and
(2) on-premise wall signs.
(c) The exemption provided by Subsection (a)(2) of this
section does not exempt a sign from Section 13 of this article to
the extent that section applies.
SECTION 13. EXISTING OFF-PREMISE SIGNS. Not later than the
120th day after the effective date of this article each owner of an
off-premise sign erected before the effective date of this article
that is visible from the main-travelled way of a rural road shall
either remove the sign or register the sign with the commission.
The owner must pay a fee of $25 for each sign that is registered.
This registration is valid for one year, but is renewable for an
annual fee of $10 a sign, provided however, the commission may by
regulation provide for a longer renewal period not to exceed five
years.

SECTION 14. CIVIL AND ADMINISTRATIVE PENALTIES. (a) A
person who intentionally violates this article or a rule adopted by
the commission under this article is liable to the state for a
civil penalty. The attorney general or a county or district
attorney may sue to collect the penalty.

(b) The amount of the civil penalty is not less than $150
nor more than $1,000 for each violation, depending on the
seriousness of the violation. A separate civil penalty may be
collected for each day on which a continuing violation occurs.

(c) In lieu of a suit to collect a civil penalty, the
commission may, after notice and an opportunity for hearing before
the commission, assess an administrative penalty against a person
who intentionally violates this article or a rule adopted by the
commission under this article. The amount of an administrative
penalty may not exceed the maximum amount of a civil penalty under
this section. A continuing violation is subject to separate
administrative penalties in the same manner as it is subject to
separate civil penalties. A proceeding on the assessment of an
administrative penalty under this subsection is a contested case
for purposes of the Administrative Procedure and Texas Register Act
(Article 6252-13a, Vernon's Texas Civil Statutes). On appeal of
the assessment of an administrative penalty under this subsection,
the manner of review is by trial de novo.
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(d) If it is shown at the trial for collection of a civil penalty under this section or on appeal of an administrative penalty under this section that a judgment for a civil penalty, or a final order, not timely appealed, or a judgment for an administrative penalty, was previously assessed against the person, in addition to any penalty that may be assessed for the subsequent violation the court shall order the revocation of any permit held by the person for the location at which the subsequent violation occurred.

(e) Civil and administrative penalties collected under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 15. DISPOSITION OF FEES. Except as provided by Section 10 of this article, permit or registration fees collected by the commission under this article shall be deposited in the state treasury to the credit of the state highway fund.

SECTION 16. REGULATION OF OFF-PREMISE PORTABLE SIGNS IN CERTAIN COUNTIES. (a) The regulations imposed by or adopted under the other sections of this article do not apply to off-premise portable signs in the unincorporated area of a county with a population of 1.7 million or more, according to the most recent federal census. In such a county, the commissioners court may prohibit off-premise portable signs in the unincorporated area of the county and may regulate the following matters in that area:

(1) the location, height, size, and anchoring of off-premise portable signs; and

(2) other matters relating to the use of off-premise
portable signs.

(b) If a county prohibition or regulation adopted under this section conflicts with state law or with a rule adopted under state law by a state agency, the county prohibition or regulation prevails. If a county prohibition or regulation adopted under this section conflicts with a municipal sign ordinance that has been extended within the municipality's extraterritorial jurisdiction as permitted by Article 3 of this Act, the municipal ordinance prevails in that area.

(c) The appropriate attorney representing the county in the district court may seek injunctive relief to prevent the violation or threatened violation of a prohibition or regulation adopted under this section.

(d) The commissioners court may define an offense for the violation of a prohibition or regulation adopted under this section. If the commissioners court defines an offense, the offense is a Class C misdemeanor. The offense is prosecuted in the same manner as an offense defined by state law.

ARTICLE 3

SECTION 1. REGULATION IN CITY EXTRATERRITORIAL JURISDICTION.

Any municipality may extend the provisions of its outdoor sign regulatory ordinance and enforce such ordinance within its area of extraterritorial jurisdiction as defined by the Municipal Annexation Act (Article 970a, Vernon's Texas Civil Statutes). However, any municipality, in lieu of such regulatory ordinances, may allow the State Highway and Public Transportation Commission to regulate outdoor signs in that city's extraterritorial jurisdiction.
by filing a written notice with the commission.

SECTION 2. PRECEDENCE OF MUNICIPAL ORDINANCE. If a municipality extends its outdoor sign ordinance within its area of extraterritorial jurisdiction, the municipal ordinance supersedes the regulations imposed by or adopted under Article 2 of this Act.

ARTICLE 4

SECTION 1. Section 3, Property Redevelopment and Tax Abatement Act (Article 1066f, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 3. DESIGNATION OF REINVESTMENT ZONES. (a) To be designated as a reinvestment zone, an area must:

(1) substantially impair or arrest the sound growth of a city or town, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use by reason of the presence of a substantial number of substandard, slum, deteriorated, or deteriorating structures; predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; the existence of conditions that endanger life or property by fire or other cause; or any combination of these factors or conditions;

(2) be predominantly open and, because of obsolete platting or deterioration of structures or site improvements, or other
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factors, substantially impair or arrest the sound growth of the city or town;

(3) be in a federally assisted new community located within a home-rule city or in an area immediately adjacent to the federally assisted new community;

(4) be located wholly within an area which meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974; [er]

(5) encompass signs, billboards, and other outdoor advertising structures designated by the governing body of the incorporated city or town for relocation, reconstruction, or removal for the purpose of enhancing the physical environment of the city or town, which the legislature hereby declares to be a public purpose; or

(6) be designated a local or state-federal enterprise zone under the Texas Enterprise Zone Act.

(b) For the purposes of Subdivision (3) of Subsection (a) of this section, a federally assisted new community is a federally assisted area that received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act and a portion of the federally assisted area has received grants under Section 107(a)(1) of the Housing and Community Development Act of 1974.

(c) The governing body of an incorporated city or town may designate, by boundaries, as a reinvestment zone any area, or real or personal property whose use is directly related to the business of outdoor advertising, within the taxing jurisdiction of the city.
or town that the governing body finds to satisfy the requirements of Subsection (a) of this section, subject to the limitations set forth by Section 4 of this Act. The governing body of an incorporated city or town shall designate a reinvestment zone eligible for residential property tax abatement, or commercial-industrial tax abatement, or tax incentive financing as provided for in the Texas Tax Increment Financing Act of 1981 (Article 1066a, Vernon's Texas Civil Statutes) [55th-67th Legislature, 1st-Called Session, 1981].

ARTICLE 5

SECTION 1. EFFECTIVE DATE. This Act takes effect September 1, 1985, except that Article 3 of this Act takes effect immediately.

SECTION 2. EFFECT OF PARTIAL INVALIDITY. (a) The legislature declares that it would not have enacted this Act without the inclusion of Section 5(a) of Article 1, to the extent that provision excludes modes of compensation not specifically authorized by that provision. If this exclusion of alternative modes of compensation is for any reason held invalid by a final judgment of a court of competent jurisdiction, the remainder of this Act is void.

(b) Except as provided by Subsection (a) of this section, this Act is severable as provided by Chapter 45, Acts of the 63rd Legislature, Regular Session, 1973 (Article 11a, Vernon's Texas Civil Statutes).

SECTION 3. COURT-APPROVED SETTLEMENT. Nothing in this Act affects a court-approved settlement entered into before the
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effective date of this Act in any litigation in a court of the
United States involving the validity of municipal regulation of
signs. To the extent a provision of this Act conflicts with the
terms of such a settlement, the terms of the settlement prevail.

SECTION 4. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended,
and that this Act take effect and be in force according to its
terms, and it is so enacted.
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President of the Senate

Speaker of the House

I certify that H.B. No. 1330 was passed by the House on April 24, 1985, by a non-record vote; and that the House concurred in Senate amendments to H.B. No. 1330 on May 26, 1985, by the following vote: Yeas 134, Nays 5, 3 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1330 was passed by the Senate, with amendments, on May 25, 1985, by the following vote: Yeas 27, Nays 4.

Secretary of the Senate

APPROVED: _______________________________

Date

Governor
A BILL TO BE ENTITLED
AN ACT
relating to state and local regulation of outdoor signs.

1. Filed with the Chief Clerk.

2. Read first time and referred to Committee on State Affairs.

3. Reported favorably (as amended) and sent to printer at 12:05 p.m.

4. Printed and distributed at 5:37 p.m.

5. Sent to Committee on Calendars at 7:16 p.m.

6. Read second time (amended) passed to third reading (failed) by (a) Committee (Record Vote of 52, 41 ayes, 8 nays, present, not voting).

7. Motion to reconsider and table the vote by which H.B. ______ was ordered engrossed prevailed (failed) by a (Non-Record Vote) (Record Vote of _______ ayes, _______ nays, and _______ present, not voting).

8. Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of _______ ayes, _______ nays, and _______ present, not voting.

9. Read third time (amended); finally passed (failed by Non-Record Vote) (Record Vote of _______ ayes, _______ nays, and _______ present, not voting).

10. Caption ordered amended to conform to body of bill.

11. Motion to reconsider and table the vote by which H.B. ______ was finally passed prevailed (failed) by a (Non-Record Vote) (Record Vote of _______ ayes, _______ nays, and _______ present, not voting).

12. Ordered engrossed at 3:03 p.m.

13. Engrossed.

14. Returned to Chief Clerk at 5:10 p.m.

15. Sent to Senate.

16. Received from the House.

17. Read, referred to Committee on State Affairs.

18. Reported favorably.

19. Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

20. Ordered not printed.

21. Regular order of business suspended by _______ ayes, _______ nays.)
22. To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of _______ yeas, _______ nays.

May 25 1985
23. Read second time ___amended___ passed to third reading by: 

Secretary of the Senate

24. Caption ordered amended to conform to body of bill.

25. Senate and Constitutional 3-Day Rules suspended by vote of 27 yeas, 4 nays to place bill on third reading and final passage.

26. Read third time and passed by (a vote of ______ yeas.)

 Secretary of the Senate

27. Returned to the House.

28. Received from the Senate (with amendments) (as substituted)

May 25 1985

29. House (Concurred) (Refered to Concurs) in Senate (Amendments) (Substitute) A (Non-Record) Vote Record Vote of ______ yeas, ______ nays, ______ present, not voting.

May 26 1985

30. Conference Committee Ordered.

May 26 1985

31. Conference Committee Report Adopted (Rejected) by a (Non-Record Vote) (Record Vote of ______ yeas, ______ nays, and ______ present, not voting).

May 26 1985

32. Ordered Enrolled at 3:12 pm

May 26 1985

Ordered Enrolled at 5:00 pm
President of the Senate

I certify that H.B. No. 1330 was passed by the House on April 24, 1985, by a non-record vote;

May 26, 1985, by the following vote: Yeas 124, Nays 5, present, not voting.

(1) (2) (3) (4) (5)

Chief Clerk of the House

**** Preparation: 'A;CT63;

I certify that H.B. No. 1330 was passed by the Senate, with amendments, on May 25 1985, by the following vote: Yeas 27, Nays 4.

(1) (2) (3) (4)

Secretary of the Senate

APPROVED:

Date

Governor

**** Preparation: 'A;CT14;