

BILL ANALYSIS

Senate Research Center
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S.B. 1383
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, if a billboard is required to be removed because of the widening, construction, or reconstruction of a road by the Texas Department of Transportation (TxDOT), TxDOT will either relocate the billboard to another location in the municipality or pay just compensation to the owner for removing the billboard. Typically relocation is preferred by both parties because the owner is able to maintain their business asset and TxDOT can save time and money by not having to pay just compensation.

While cities regulate billboards independently, some cities are either refusing relocation entirely, or restricting it to such a degree that relocation is physically or economically impractical for the billboard owner. When this happens, the owner seeks the fair market value of the asset, which is then paid by TxDOT and state taxpayers.

S.B. 1383 requires municipalities to pay just compensation for the removal of a billboard if the sign is removed because of a road project and TxDOT's rules would allow relocation, but the municipality prohibits the relocation due to a charter, ordinance, or decision.

As proposed, S.B. 1383 amends current law relating to requiring municipalities to provide compensation for certain signs required to be relocated due to road construction.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 216, Local Government Code, by adding Section 216.016, as follows:

Sec. 216.016. COSTS OF REMOVAL DUE TO ROAD CONSTRUCTION. (a) Requires a municipality, if a sign located in the municipality is required to be removed because of the widening, construction, or reconstruction of a road by the Texas Department of Transportation (TxDOT) and if relocation of the sign in the municipality would be allowed under TxDOT rules but is restricted or prohibited by charter, ordinance, or a decision of the municipality, to pay just compensation to the owner for the right, title leasehold, and interest in the sign, and the owner or, if appropriate, the lessee of the real property on which the sign is located for the right to erect and maintain the sign.

(b) Provides that, for purposes of this section, a sign located in the extraterritorial jurisdiction of a municipality is considered located in the municipality.

SECTION 2. Provides that the change in law made by this Act applies only to the relocation of a sign due to road construction for which TxDOT has entered into a construction contract on or after the effective date of this Act.

SECTION 3. Effective date: September 1, 2013.