## SESSION OF 2012

## SUPPLEMENTAL NOTE ON SENATE BILL NO. 151

#### As Recommended by Senate Committee on Transportation

## Brief\*

SB 151 would amend the Highway Advertising Control Act to allow certain outdoor advertising signs:

- Outdoor advertising structures erected prior to June 30, 2006, by local zoning authorities, and
- Signs in locations where zoning that is not part of comprehensive zoning ("spot zoning") allowed outdoor advertising prior to June 30, 2006, even if a sign structure does not currently exist.

# Background

Representatives of small businesses in Chanute and Humboldt and of the City of Humboldt requested the bill. They stated highway construction had bypassed the business districts of some small towns, and that prohibitions on signs directing motorists to in-town businesses put small town businesses at a further disadvantage.

At the hearing on the bill, a representative of the League of Kansas Municipalities testified in support of the bill. A representative of the Kansas Department of Transportation (KDOT) testified in opposition to it. There was no other testimony.

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

In general, outdoor signs that meet additional requirements may be allowed in areas zoned for commercial or industrial use. In 2006, the Legislature enacted Sub. for SB 253, which amended the definition of "zoned commercial or industrial areas" in KSA 68-2232 to require that the areas in outdoor advertising is allowed be which part of comprehensively zoned areas and not part of an area zoned commercial or industrial principally for the placement or construction of outdoor signs. That bill also made additional changes to bring the state into compliance with the federal Highway Beautification Act. According to those requesting the bill and in testimony, highway bypasses near towns in several areas of the state have created entrances to towns in areas of counties that had not been zoned to allow such signs.

According to testimony from a KDOT official, because the bill would make the state out of compliance with the federal Highway Beautification Act, the state could be at risk of a 10 percent reduction of federal funding for several highway programs, possibly resulting in a loss of approximately \$26 million a year. Department officials testified that they anticipate that, due to the limited number of properties that potentially would be impacted, the Federal Highway Administration would issue a warning to the state and offer a period of time in which the state could come into compliance before the Federal Highway Administration would withhold federal funds.

According to the fiscal note prepared by the Division of the Budget, KDOT stated no additional expenditures would be needed to implement the bill.