

2009 HOUSE TRANSPORTATION

HB 1528

# 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1528

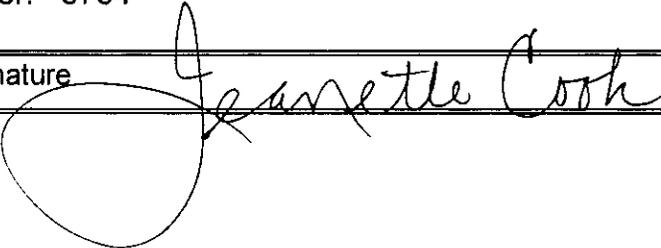
House Transportation Committee

Check here for Conference Committee

Hearing Date: 02/05/09

Recorder Job Number: 8784

Committee Clerk Signature



Jeanette Cook

Minutes:

**Representative Mike Brandenburg:** Introduced HB 1528. He explained that he wanted to bring HB 1528 and HB 1529 together to try to find an answer to Cindy and Carmen Essig's problem. (Refers to testimony provided in HB 1529.) This bill allows regular approved state highway signs to be used. Coming from the north and south on Highway 30 there would be signs that say, "Photos by Cindy". They could take their sign and move it off the road 600 feet. The only problem is that it will cost about \$800 to buy state approved signs. Carmen and Cindy have said, "We don't like that!"

**Chairman Ruby:** Will these signs be put up by the state?

**Representative Mike Brandenburg:** Yes, the signs will be made and put up by the state. The only issue is the \$800 cost.

**Harold Newman, President of Newman Outdoor Advertising,** spoke in opposition to HB 1528. He stated that this statute came about four years ago in response to the same issue. How do we get people directed off of the main road? This was what they (federal) call a TOPS program, however it has some restrictions. This allows the signs to go in the right-of-way, very close to the main road. There are some liability issues. If a sign goes up on the road and causes an accident, the sign belongs to the person that hired it put up. How will that be

solved, other than with a bunch of legal fees? If you let the state go in and put the signs up, I don't think that they should be able to compete with private enterprise business that knows the signing business. I don't know where the \$800 figure came from, because it is hard to imagine someone charging \$800 for a sign that is THAT big and THAT high (made the sign size with his hands of approximately one foot by two to three feet). My position is that if you spread this out and allow it all over the place, there will be problems with the federal government or the liability issue. I would not recommend it. This problem can be solved by zoning which I referred to in HB 1529.

**Darcy Rosendahl, Office of Operations Director from DOT**, spoke to provide information for HB 1528. See Attachment #1.

**Chairman Ruby:** Is this dealing with tourist oriented directions? Do you consider the business that we have been talking about this morning as "tourist oriented"?

**Darcy Rosendahl:** Yes, they would qualify.

**Chairman Ruby:** Could they (Essigs) request this already without this bill?

**Darcy Rosendahl:** That is correct. They would just have to get the services of a contractor, have it installed, and pay.

**Representative Heller:** What is the liability issue if someone were to hit the sign?

**Darcy Rosendahl:** All the signs that we have must have breakaway bases. So, if an errant vehicle would get all the way to the back slope and hit one of these signs, it should break away and be safe.

**Representative Vigesaa:** What color is the background on these signs?

**Darcy Rosendahl:** The background is blue.

**The hearing was closed on HB 1528.**

# 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1528

House Transportation Committee

Check here for Conference Committee

Hearing Date: 02/05/09

Recorder Job Number: 8870

Committee Clerk Signature

*Janette Cook*

Minutes:

**Chairman Ruby** asked the committee's wishes on HB 1528.

**Representative Delmore** moved a **Do Not Pass** on HB 1528.

**Representative Griffin** seconded the motion.

**Chairman Ruby** briefly reviewed that the Essigs could have a sign, but would have to hire a contractor.

**Representative Weisz:** This bill will not give them additional ability to put up a sign.

A roll call vote was taken. **Aye 12 Nay 2 Absent 0**

**The motion passed.**

**Representative Sukut will carry the bill.**

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/20/2009

Bill/Resolution No.: HB 1528

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>				\$29,040		\$29,040
<b>Expenditures</b>				\$29,040		\$29,040
<b>Appropriations</b>				\$14,520		\$14,520

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill would allow the Department to install Tourist Oriented Directional (TOD) signs within the DOT right of way. The Department would charge the applicant for all costs associated with the installation. The remitted fee would be placed in the State Highway Fund.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The average cost for sign sheeting is approximately \$24.20 per square foot. Fifteen square feet of sign sheeting is required by state law for all installations. This results in a total material cost per sign of approximately \$363.00. The estimated installation costs are approximately equal to the sheeting costs of \$363.00. Therefore the estimated costs for one sign would be approximately \$726.

The Department requires one sign for each direction of travel:

\$726.00 X 2 = \$1,452.00

10 installations per yr / \$ 1,452.00 X 10 = \$14,520.00

20 installations per biennium/ \$ 1,452.00 X 20 = \$ 29,040.00

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The bill provides that the DOT may charge the applicant for the costs incurred to erect, install, and maintains TOD signs. The revenues that would be recovered per biennium under this provision are estimated to be approximately \$29,040, as calculated in part 2B of this fiscal note.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The estimated expenditures would be approximately \$29,040 per biennium as calculated in part 2B of this fiscal note.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

*continuing appropriation.*

The DOT would need an increase to its appropriation to cover the additional material costs that would be realized. The additional costs of the materials would be approximately \$14,520 per biennium as computed in part 2B of this fiscal note.

<b>Name:</b>	Brad Darr	<b>Agency:</b>	NDDOT
<b>Phone Number:</b>	328-4443	<b>Date Prepared:</b>	01/22/2009

Date: 2-5-09

Roll Call Vote #: \_\_\_\_\_

**2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES**

**BILL/RESOLUTION NO.** 1528

House TRANSPORTATION Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken  Do pass  Don't Pass  Amended

Motion Made By Delmore Seconded By Griffin

Representatives	Yes	No	Representatives	Yes	No
Representative Ruby - Chairman	✓		Representative Delmore	✓	
Rep. Weiler - Vice Chairman	✓		Representative Griffin	✓	
Representative Frantsvog	✓		Representative Gruchalla	✓	
Representative Heller	✓		Representative Potter	✓	
Representative R. Kelsch	✓		Representative Schmidt	✓	
Representative Sukut	✓		Representative Thorpe		✓
Representative Vigasaa	✓				
Representative Weisz		✓			

Total Yes 12 No 2

Absent Ø

Bill Carrier Sukut

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**HB 1528: Transportation Committee (Rep. Ruby, Chairman) recommends DO NOT PASS**  
**(12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1528 was placed on the**  
**Eleventh order on the calendar.**

2009 TESTIMONY

HB 1528

**HOUSE TRANSPORTATION COMMITTEE  
February 5, 2009 – 8:00 a.m. – Fort Totten Room**

**North Dakota Department of Transportation  
Darcy Rosendahl, P.E., Office of Operations Director**

**HB 1528**

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Good morning Mr. Chairman and members of the committee. My name is Darcy Rosendahl. I'm the Office of Operations Director for the North Dakota Department of Transportation (NDDOT). I'm here today to provide information on HB 1528.

Tourist-oriented directional signs (TODS) are signs that provide identification and directional information for tourist-related businesses, services, or activities. TODS are allowed under federal regulations. National highway standards for the signs are found in the Federal Highway Administration's Manual on Uniform Traffic Control Devices (MUTCD). Additional standards and guidance are found in state statute and administrative rules.

TODS can be placed on any state highway with the exception of the interstate. TODS is an option for businesses to consider, since it has more flexible placement criteria than commercial signing, which has different requirements. The signs are 6-foot wide and 30-inches high, and are located adjacent to the right-of-way line on the ditch backslope. One sign is allowed for each direction of travel.

If HB 1528 passes it would allow the department to place the sign and develop a payment plan. For example: The current cost for two signs and their installation is approximately \$1,500. Rather than paying the \$1,500 for the signs in one year, the Department could develop a plan that allows payment to occur over a three year period.

Over the last fifteen years there have been thirty-seven TODS erected across the state.

Mr. Chairman, this concludes my testimony. I will be happy to answer any questions.