

Date of Hearing: April 6, 2015

ASSEMBLY COMMITTEE ON TRANSPORTATION
Jim Frazier, Chair
AB 223 (Dahle) – As Introduced February 3, 2015

SUBJECT: Highways: exit information signs

SUMMARY: Authorizes, until January 1, 2021, the placement of Business Logo Signing Program signs along Interstate 80 within, or at the exits leading to, the City of Truckee.

EXISTING LAW:

- 1) Directs the California Department of Transportation (Caltrans) to adopt rules and regulations for its Business Logo Signing Program - i.e., a program to allow the placement of signs near freeways identifying the presence of specific roadside businesses offering fuel, food, lodging, or camping services, approved 24-hour pharmacy services, or specific approved attractions, under the following conditions:
 - a) All business applicants must have equal access to the program; and,
 - b) Caltrans is prohibited from placing business logo signs within urban areas designated by the United State Bureau of Census as having a population of 5,000 or more (except for the City of Lincoln, as described below).
- 2) Prohibits the removal of business logo signs placed before January 1, 2003, due solely to population growth in an urban area that results in a population of 5,000 or more but less than 10,000.
- 3) Authorizes a limited exception to the Business Logo Signing Program for signs along State Route 65 within the City of Lincoln, until January 1, 2021.
- 4) Requires Caltrans, on or before January 1, 2020, to report to the transportation committees of the Senate and Assembly on the implementation of the exception for the City of Lincoln. The report is to include recommendations as to whether or not the period of this exception should be extended and whether or not the authorization for the Business Logo Signing Program should be expanded to urban areas having a population of 5,000 or more.

FISCAL EFFECT: According to the Assembly Appropriation Committee's analysis of a similar bill last session, AB 178 (Gaines), Chapter 131, Statutes of 2013, the bill will likely have minor costs to Caltrans, which would be offset by fees.

COMMENTS: The Business Logo Signing Program was originally created to provide motorists with information regarding specific roadside businesses offering fuel, food, lodging, or camping services alongside along Interstate 5. The program was later expanded to rural areas generally.

Implementing regulations promulgated by Caltrans set forth criteria for businesses to be included in the program. For example, gas stations must meet the following criteria:

- 1) The business must be generally neat, clean, and have a comfortable appearance and an adequate scope of services.
- 2) For gas stations, a business must be located within one mile of the freeway interchange and it must provide vehicle services, including fuel, oil, tire repair, battery, and radiator water. It must also provide public restrooms, water fountains, and telephones and it must be open for a specified number of hours per day.

Business logo signs only accommodate six logos per type of service (i.e., food, gas, lodging or camping), and Caltrans does not install more than one sign per type of service. To address situations in which there are more qualified applicants than available logo spaces, Caltrans has developed a priority system. For lodging and camping signs, Caltrans prioritizes businesses that are closest to the highway. For food and fuel signs, priority is based on a point system that values proximity to the highway and longer hours of operation.

Last session, the Legislature passed AB 178 to help the City of Lincoln. The city's business community had been negatively impacted by the opening of the Lincoln Bypass the year before that diverted traffic from the historic downtown and its fuel and food service providers. Lincoln is not otherwise eligible to participate in the business logo program because its population exceeds the definition of rural.

This bill was introduced to provide a similar, limited-time exception to the Business Logo Signing Program for the City of Truckee. Truckee has a population of over 16,000 and is, like the City of Lincoln, ineligible for participation in the Business Logo Signing Program.

Truckee's population has exceeded the rural threshold since inception of the Business Logo Signing Program so it is not clear why business logo signs were even authorized to begin with. Caltrans was unable to determine why the signs were originally placed but it did confirm that, in 2008, at least 11 business logo sign accounts in the Truckee area were closed when the department realized the signs did not comply with the Business Logo Sign Program guidelines related to population. Following removal of the business logo signs, Caltrans installed general service signs directing traffic to exits where food, fuel, and lodging are available but that do not display specific business logos.

According to the author, businesses in Truckee were negatively impacted following removal of logo signs. The author also suggests the bill is necessary because construction of the Truckee Bypass in 2002 has resulted in a downturn in Truckee businesses.

Committee concern: The exception provided for the City of Lincoln was intended to ease the transition for the city's businesses following construction of the just-opened bypass. The exception is for a limited duration (7 years). The Truckee Bypass, on the other hand, was opened over 12 years ago, well beyond what could arguably be considered a reasonable transition period.

Previous legislation: AB 178 (Gaines), Chapter 131, Statutes of 2013, authorized a limited exception to the Business Logo Signing Program for signs along State Route 65 within the City of Lincoln, until January 1, 2021.

AB 1923 (Dickerson), Chapter 576, Statutes of 2002, was originally introduced to expand the Business Logo Signing Program to areas up to 15,000. AB 1923 was subsequently amended, and eventually signed to prohibit Caltrans from taking down business logo signs in areas with populations that exceeded 5,000 but did not exceed 10,000.

SB 599 (Knight), of 1997, would have required Caltrans to allow business logo signs in areas with populations larger than 5,000 if the city submits a written request to the department for such placement. SB 599 failed passage in the Senate Transportation Committee.

AB 1257 (Chandler), Chapter 560, Statutes of 1992, expanded the business logo program beyond rural areas alongside of Interstate 5 to other rural areas of California.

REGISTERED SUPPORT / OPPOSITION:

Support

Truckee Donner Chamber of Commerce
Truckee Town Council
2 private citizens

Opposition

None on file

Analysis Prepared by: Janet Dawson / TRANS. / (916) 319-2093