

## Senate Bill No. 31

### CHAPTER 542

An act to amend Section 5272 of the Business and Professions Code, relating to outdoor advertising.

[Approved by Governor October 4, 2013. Filed with  
Secretary of State October 4, 2013.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 31, Padilla. Outdoor advertising displays: arenas.

The Outdoor Advertising Act provides for the regulation by the Department of Transportation of advertising displays, as defined, within view of public highways. The act exempts from its provisions certain advertising displays that advertise the business conducted, services rendered, or goods produced or sold on the property upon which the display is placed, as specified. The act also exempts from its provisions specified advertising displays at an arena located on public land with a capacity of 5,000 seats or more that provides a permanent venue for professional sports, and that advertises products, goods, or services that are or will be sold on the premises of the arena on a regular basis pursuant to a specified agreement.

This bill would recast the arena advertising exception to exempt from the act specified advertising displays authorized by local ordinance at the premises of an arena, defined as a venue with a capacity of 15,000 seats or more that is capable of providing a permanent venue for professional sports, or a contiguous development project or district encompassing or adjacent to the venue that extends not more than 1,000 feet from a structure connected to the venue, as specified. These advertising displays would be authorized to advertise any products, goods, or services sold within that area on a regular basis, or marketed or promoted in that area pursuant to a sponsorship marketing plan, as defined, except tobacco, firearms, or sexually explicit material, if specified conditions are met. The bill would additionally authorize, under similar conditions, up to 2 advertising displays that are not required to comply with the act, which the bill would require to be visible when approaching offramps from the interstate, primary, or state highways used to access the premises of an arena. The bill would require that certain conditions apply if the advertising display authorized by the bill is a message center display. The bill would require that if an advertising display is subject to a notice from the United States Department of Transportation, Federal Highway Administration, or other applicable federal agency to the state that the operation of that display will result in the reduction of federal funds, as provided, authorization of the display would cease 60 days after the state notifies the display owner of the receipt of the federal notice, and would require the display owner to remove all advertising copy within that time.

The bill would provide for the imposition of a civil fine of \$10,000 per day by the department on the owner for failure to remove advertising copy. The bill would require the local agency to have primary responsibility for enforcing its ordinance and these provisions, and to indemnify the state Department of Transportation for all costs incurred for failing to ensure that compliance, as specified. The bill would prohibit, among other things, the state Department of Transportation from assuming any liability in connection with cessation of operation or removal of an advertising display. In addition, the bill would require an advertising display lawfully erected on or before December 31, 2013, in conformity with the law relating to the exemption for advertising displays on arenas, as it existed on that date, to remain authorized, subject to the terms of that law.

*The people of the State of California do enact as follows:*

SECTION 1. Section 5272 of the Business and Professions Code is amended to read:

5272. (a) With the exception of Article 4 (commencing with Section 5300) and Sections 5400 to 5404, inclusive, this chapter does not apply to any advertising display used exclusively for any of the following purposes:

(1) To advertise the sale, lease, or exchange of real property upon which the advertising display is placed.

(2) To advertise directions to, and the sale, lease, or exchange of, real property for which the advertising display is placed; provided, that the exemption of this paragraph does not apply to advertising displays visible from a highway and subject to the Highway Beautification Act of 1965 (23 U.S.C. Sec. 131).

(3) To designate the name of the owner or occupant of the premises or to identify the premises.

(4) To advertise the business conducted, services rendered, or goods produced or sold upon the property on which the advertising display is placed if the display is on the same side of the highway and within 1,000 feet of the point on the property or within 1,000 feet of the entrance to the site at which the business is conducted, services are rendered, or goods are produced or sold.

(b) With the exception of Article 4 (commencing with Section 5300) and Sections 5400 to 5404, inclusive, this chapter does not apply to any advertising display used exclusively either to advertise products, goods, or services sold by persons on the premises of an arena on a regular basis, or to advertise any products, goods, or services marketed or promoted on the premises of an arena pursuant to a sponsorship marketing plan, if all of the following conditions are met:

(1) The arena is capable of providing a venue for professional sports on a permanent basis.

(2) The arena has a capacity of 15,000 or more seats.

(3) The advertising display is either of the following:

(A) Located on the premises of the arena.

(B) Has been authorized as of January 1, 2019, by, or in accordance with, a local ordinance, including, but not limited to, a specific plan or sign district adopted in connection with the approval of the arena by the city, county, or city and county, bears the name or logo of the arena, and is visible when approaching offramps from the interstate, primary, or state highways used to access the premises of the arena. No arena shall be permitted more than two advertising displays allowed under this subparagraph.

(c) (1) Any advertising display erected pursuant to subdivision (b) and located on the premises of the arena shall be lawful only if authorized by, or in accordance with, an ordinance, including, but not limited to, a specific plan or sign district, adopted by the city, county, or city and county, that regulates advertising displays on the premises of the arena by identifying the specific displays or establishing regulations that include, at a minimum, all of the following:

(A) Number of signs and total signage area allowed.

(B) Maximum individual signage area.

(C) Minimum sign separation.

(D) Illumination restrictions and regulations, including signage refresh rate, scrolling, and brightness.

(E) Illuminated sign hours of operation.

(2) Authorization of advertising displays under subdivision (b) is subject to the owner of the advertising display submitting to the department a copy of the ordinance adopted by the city, county, or city and county in which the arena is located authorizing the advertising display and, for signs located on the premises of the arena, identification of the provisions of the ordinance required under paragraph (1). The department shall certify that the proposed ordinance meets the minimum requirements contained in paragraph (1).

(3) An advertising display authorized pursuant to subdivision (b) shall not advertise products, goods, or services related to tobacco, firearms, or sexually explicit material.

(4) This chapter does not limit a local government from adopting ordinances prohibiting or further restricting the size, number, or type of advertising displays permitted by this section.

(d) As used in this section, “the premises of an arena” means either of the following:

(1) A venue for indoor or outdoor sports, concerts, or other events.

(2) Any development project or district encompassing the venue, adjacent to it, or separated from it only by public or private rights-of-way, the boundaries of which have been set by the city, county, or city and county in which the arena is located. The development project or district must be contiguous and may not extend more than 1,000 feet beyond the arena structure or any structure physically connected to the arena structure.

(e) As used in this section, “sponsorship marketing plan” means an agreement between the property owner, facility owner, facility operator, or occupant of the premises of an arena and a sponsor pursuant to which the

sponsor is allowed to include its logo, slogan, or advertising on advertising displays and that meets both of the following conditions:

(1) The sponsorship marketing plan is for a period of not less than one year.

(2) The sponsorship marketing plan grants the sponsor the opportunity to display its logo, slogan, or advertising in the interior of structures on the premises of an arena, or conduct promotions, public relations, or marketing activities on the premises of an arena.

(f) Authorization of an advertising display under subdivision (b) that is a message center display is subject to the owner of the display complying with one of the following conditions:

(1) Making a message center display within the premises of the arena available on a space-available basis for use by the department or the Department of the California Highway Patrol for public service messages, including Emergency Alert System (Amber Alert) messages disseminated pursuant to Section 8594 of the Government Code, and messages containing, among other things, reports of commute times, drunk driving awareness messages, reports of accidents of a serious nature, and emergency disaster communications.

(2) Making a message center display not subject to this section that is under the control of the owner of the advertising display available on a space-available basis for public service messages in a location acceptable to the department and the Department of the California Highway Patrol.

(3) Providing funding to the department for the installation of a message center display to accommodate those public service messages, which may include funding as part of mitigation in connection with the approval of the arena by the city, county, or city and county.

(g) If an advertising display authorized under subdivision (b) is subject to a notice from the United States Department of Transportation, the Federal Highway Administration, or any other applicable federal agency to the state that the operation of that display will result in the reduction of federal aid highway funds provided in Section 131 of Title 23 of the United States Code, authorization of the display under subdivision (b) shall cease and the display owner shall remove all advertising copy from the display within 60 days after the state notifies the display owner of the receipt of the federal notice. Failure to remove the advertising copy pursuant to this subdivision shall result in a civil fine, imposed by the California Department of Transportation, of ten thousand dollars (\$10,000) per day until the advertising copy is removed. The department shall not assume any liability in connection with cessation of operation or removal of an advertising display or advertising copy pursuant to this subdivision.

(h) The city, county, or city and county adopting the ordinance authorizing the displays erected pursuant to this section shall have primary responsibility for ensuring that the displays remain in conformance with all provisions of the ordinance and of this section. If the city, county, or city and county fails to ensure that the displays remain in conformance with all provisions of the ordinance and of this section after 30 days of receipt of a written notice

from the department, the city, county, or city and county shall hold the department harmless and indemnify the department for all costs incurred by the department to ensure compliance with the ordinance and this section or to defend actions challenging the adoption of the ordinance allowing the displays.

(i) An advertising display lawfully erected on or before December 31, 2013, in conformity with subdivision (e) of this section as it read on that date, shall remain authorized, subject to the terms of that subdivision.

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