



STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION

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Office of the
Commissioner

An Equal Opportunity Employer

Public Hearing – February 22, 2012
Transportation Committee

Testimony submitted by Commissioner James P. Redeker
Department of Transportation

H.B. 5165, AN ACT CONCERNING APPLICATIONS TO ERECT OUTDOOR ADVERTISING STRUCTURES AND THE FEES FOR THE ERECTION AND MAINTENANCE OF SUCH STRUCTURES.

(Department of Transportation proposal)

The Department of Transportation (ConnDOT) supports H.B. 5165, AAC Applications to Erect Outdoor Advertising Structures and the Fees for the Erection and Maintenance of Such Structures.

Section 1 of the bill requires permitted outdoor advertising sign structures to be fully constructed within six months of the permit issuance date. Currently, a sign company could obtain a State sign permit and not build a sign, by simply paying the annual renewal permit fee. For example, if the proposed location were along the interstate, 1,000 feet would be frozen out for all other applicants, since there is a requirement of 500 feet between permitted locations. Department resources are expended to review such applications for those instances where a sign company does not actually build a sign. The Department's intent is to prevent the practice of obtaining an outdoor advertising permit without ever building the corresponding sign structure in order to prevent a competitor from obtaining access to a certain location.

Section 2 of the bill increases the fees for outdoor advertising permits and requires a fee for the transfer of permits between parties to cover the administrative costs (approx. \$400,000.00) associated with maintaining the permitting program.

The existing permit fee revenue falls far short of the Department's costs associated with regulating the outdoor advertising industry. The proposed fee schedule is more in line with the administrative expenditures necessary to oversee the day to day needs associated with the processing of application packages, field inspections, issuance of State Sign Permit fees, processing tree-trimming requests, monitoring of billboards for compliance with statutes and regulations, compiling the annual billing for permit fees, and the time consuming process of meeting with certain applicants and their legal counsel, many times with the assistance of the Attorney General's Office. After consultation with the outdoor advertising industry, ConnDOT believes the proposed increased sign permit fees outlined below are reasonable and will allow for the equitable regulation of the outdoor advertising industry without posing an economic burden to the industry.

The new fee associated with the transfer of State permits between parties will not only cover the Department's administrative costs, but will legitimize the custom of transferring State sign permits between parties while still charging a minimal sum. The transfer fee proposed is significantly less than what it would cost to apply for a new State sign permit.

For further information or questions, please contact Pam Sucato, Legislative Program Manager for ConnDOT at (860) 594-3013 or pamela.sucato@ct.gov.

Proposed increase in sign permit fees – 2012 Legislative Session – Outdoor Advertising

Panel Size	# of Panels	Existing Fee	Revenue	Proposed Fee	Revenue
0 to 300 sf	1,770	\$20	\$35,400	\$40	\$70,800
301 to 600 sf	71	\$40	\$2,840	\$80	\$5,680
601 to 900 sf	607	\$60	\$36,420	\$120	\$72,840
TOTALS.....	2,448	N/A	\$74,660	N/A	\$149,320

Proposed fee for the transfer of sign permits – 2012 Legislative Session – Outdoor Advertising

# of Transfers in 2010	Existing Fee	Revenue	Proposed Fee	Revenue
5 ±	N/A	N/A	\$100.00	\$500.00