



**Hundredth Legislature - Second Session - 2008**  
**Committee Statement**  
**LB 302**

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**Hearing Date:** February 6, 2007  
**Committee On:** Urban Affairs

**Introducer(s):** (Friend)

**Title:** Change provisions relating to buildings, structures, and outdoor advertising signs, displays, and devices

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**Roll Call Vote – Final Committee Action:**

- Advanced to General File
  - Advanced to General File with Amendments
  - Indefinitely Postponed
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**Vote Results:**

- 4 Yes                      Senator Friend, Cornett, Rogert, White
  - 0 No
  - 0 Present, not voting
  - 3 Absent                      Senator Janssen, Lathrop, McGill
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**Proponents:**

Senator Mike Friend  
Ken Bunger  
Amiee Haley  
Brad Love  
Martha Lee Heyne  
Douglas Naegele

**Representing:**

Introducer  
Waitt Outdoor Advertising  
Lamar Outdoor Advertising, Tim Holzfaster  
Love Signs, Inc.  
Outdoor Adv. Of NE and Lamar Outdoor Adv.  
Burkhart Advertising

**Opponents:**

Steven Jensen  
Alan Thelen  
David Levy  
Connie Spellman  
Gary Krumland  
Marvin Krout

**Representing:**

City of Omaha and Omaha Planning Dept.  
City of Omaha  
Omaha by Design  
Omaha by Design  
League of NE Municipalities  
City of Lincoln

**Neutral:**

None

**Representing:**

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**Summary of purpose and/or changes:** This legislation relates to outdoor advertising signs, displays, and devices, proposing to clarify the meaning and extent of the current

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prohibition on the use of amortization schedules in valuing such signs. It is applicable generally to the state, all its agencies, and political subdivisions, most specifically to metropolitan and primary class cities and the Department of Roads.

In 1981, the Unicameral adopted legislation (LB 241) that proposed to restrict the ability of various zoning authorities to remove outdoor advertising displays (located in areas where they constituted non-conforming uses) without fully compensating their owners. It was common at that time for some jurisdiction to seek the removal of such signs based on an amortization schedule or the depreciated reproduction cost of the sign (which presumed over a period of time that the original investment had been recovered through use).

That legislation placed a specific prohibition on the use of the amortization method by first and second class cities and villages and counties. Additionally, it adopted a general prohibition on the use of the amortization schedule by all state agencies, the state itself, and other political subdivisions (section 69-1701) and established specific upkeep requirements for such signs by their owners (section 69-1702).

In 2000, LB 937 was introduced which sought to reverse the provisions of LB 241 and specifically authorize the use of amortization schedules for the purpose of determining the value of the nonconforming sign and to end the nonconforming use. The legislation was killed in committee.

This legislation revisits that original act, seeking to update it and clarify the extent of its reach.

First, it extends the explicit statutory prohibition on the use of the amortization schedule to metropolitan class cities (section 1) and primary class cities (section 2), placing it in their specific statutory zoning authority. Following general language to clarify the law regarding nonconforming uses, authorizing these municipalities to allow nonconforming uses in their zoning codes, it specifically prohibits the valuation of rights and interests in advertising signs that constitute nonconforming uses using amortization schedules.

Second, it specifies that the current protection provided to owners of outdoor advertising signs (which are non-conforming uses) under the authority of first and second class cities and villages extends to assignees of the owner.

Third, it provides that the Department of Roads when acquiring or removing outdoor advertising signs or displays must value them (for compensation purposes) as a whole economic unit and may not separate out the various interests for valuation purposes.

Finally, it amends section 69-1701 (which is generally applicable to all agencies and jurisdictions) to make it clear that the value of a sign includes all right, title, leasehold and interest in connection with the sign or display and that these interests are to be valued as a whole economic unit and not as separate interests. It also specifically authorizes the alternative of relocation of the sign by the taking entity if the relocation is to a substantially comparable location on substantially comparable terms.

**Explanation of amendments, if any:** N/A

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**Senator Mike Friend, Chairperson**