



California State Outdoor Advertising Association

ANNUAL BUSINESS MEETING

October 9, 2017

1:00pm

The Monterey Plaza
400 Cannery Row
Monterey, California 93940
(831) 646-1700



California State Outdoor Advertising Association

Schedule of Events

The Monterey Plaza
400 Cannery Row
Monterey, California 93940
(831) 646-1700

Monday October 9, 2017

- 1:00pm CSOAA Annual Membership Meeting
(at some point adjourn for PAC meeting)
Carmel Room
- 6:00 - 7:00pm Legend's Cocktail Reception
Lower Terrace
- 7:00pm Dinner
Monterey Bay Room

Tuesday October 10, 2017 – Golf Tournament

- 9:00am Leave to Nicklaus Club - Monterey
The Monterey Plaza
- 9:30am First Tee time at Nicklaus Club - Monterey
(Box Lunches & Awards to follow completion of golf)



California State Outdoor Advertising Association

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California State Outdoor Advertising Association

Annual Membership Meeting

October 9, 2017

The Monterey Plaza

400 Cannery Row

Monterey, California 93940

(831) 646-1700

AGENDA

(1). Call to Order

(2). Anti – Trust Policy

(3). Welcome & Introductory Remarks

- Billy Wynn III, CSOAA President
- Introduction of New Active Members

(4). Financial Update and Last Meetings Minutes

- Jim Moravec, CSOAA Secretary

(5). Caltrans Permit Fee Update

- Michael Wright – Attorney at Law

(6). PSA Program Update

- Stacy Miller, Stacy Miller Public Affairs

(7). Legal Issues – San Francisco Sugar Sweetened Beverage Litigation

- Joshua Dick, Gibson Dunn (*joining via conference call*)

(8). OAAA Update

- Myron Laible (*joining via conference call*)

(9). Legislative Update – 2017

- Meghan Loper & Kirk Kimmelshue, CSOAA Legislative Advocates & Ron Beals, CSOAA Counsel

(11). For the Good of the Order & Closing Remarks

(12). Adjournment

ANTITRUST COMPLIANCE PROGRAM OF THE CALIFORNIA STATE OUTDOOR ADVERTISING ASSOCIATION

It is the policy of California State Outdoor Advertising Association (CSOAA) to fully comply with the antitrust laws of the United States and the State of California. In order to assure full compliance, the following policies and procedures are to be followed by all employees, agents and members of CSOAA and by representatives of any members of the association.

At any meeting of the membership of the association or any committees of the association, or any meeting where any employee or agent of the association is present or where the association is in anyway involved, there shall be no discussion of the following:

- Any aspect of pricing, such as maximum prices, minimum prices, discounts, or credit and payment terms;
- Any other terms of sale;
- Divisions of markets by geographic area or types of customers served;
- Decisions not to compete on bids or the details of any bids submitted;
- Refusals to deal with a supplier who sells to a competitor or who cuts prices, or otherwise aggressively solicits customers;
- Refusals to deal with a customer who aggressively seeks lower prices or better services;
- Any practices or conduct which could be construed to constitute a boycott or an attempt to exclude competition.

It is the intention of this program to preclude any discussion whatsoever at any meeting of CSOAA, or any meeting where association personnel are present, of any matter related to prices, rates, discounts or particular competitive practices of the members of the association. The antitrust statement shall be reviewed at each meeting of CSOAA membership or of its committees. Those present shall adhere to the association's antitrust policies both in the formal meetings and in any informal discussions before, after or during the meetings.

Copies of this Antitrust Compliance Program shall be distributed annually by the President to each member of CSOAA. The President shall periodically review the Antitrust Compliance Program with CSOAA's Board of Directors.

California State Outdoor Advertising Association

* Statement of Income

January 1, 2017 to
September 30, 2017

INCOME:

Dues Income	\$14,300.00
Conference Income	\$10,900.00
Interest Income	\$189.92
Public Service Advertising Income ***	<u>\$448,000.00</u>

TOTAL INCOME: \$473,389.92

OPERATING EXPENSES:

Bank Fees	\$35.00
Accounting Expense	\$2,207.50
Commission - PSA **	\$37,275.00
Legal Expense	\$64,082.50
Management Fee	\$67,266.64
PSA - Posting Expense **	\$40,500.00
PSA - Printing **	\$22,486.46
Office Expense	\$289.00
Outside Services	\$2,330.00
Dues & Subscriptions	\$500.00
Rent - Office	\$7,000.00
Travel & Hotel	\$2,647.64
State Income Taxes	\$10.00
Conference Expense	<u>\$200.00</u>

TOTAL OPERATING EXPENSES: \$246,829.74

NET OPERATING PROFIT OR (LOSS) \$224,560.18

* First 9 months of calendar year 2017 as a Calendar Year Taxpayer

** See detailed PSA Payments to Vendors Breakout on next page

*** See detailed PSA Income on page following payments to vendors

CALIFORNIA STATE OUTDOOR ADVERTISING ASSOCIATION
Public Service Advertising - Accounting - Payments to Vendors
January 1 to September 30, 2017

Bulletin Displays LLC	\$1,200.00
Clear Channel Outdoor	\$16,500.00
Lamar Companies	\$7,200.00
Outfront Media	\$15,000.00
Sign Language	\$22,486.46
Stacy Miller Public Affairs	\$37,275.00
Stott Outdoor Advertising	<u>\$600.00</u>
TOTAL	\$100,261.46

**CALIFORNIA STATE OUTDOOR ADVERTISING ASSOCIATION
PUBLIC SERVICE ADVERTISING ACCOUNTS-INCOME 2017
JANUARY 1 TO SEPTEMBER 30, 2017**

2017-JBS International (The Family & Youth Services Bureau)	3,600.00	1/2/17
Less: Stacy Miller PA Commission	630.00	
 2017 - Addario Lung Cancer Foundation	 5,600.00	 1/2/17
Less: Stacy Miller PA Commission	980.00	
 2017 - JP Marketing (A Division of Two)	 175,000.00	 1/30/17
Less: Stacy Miller PA Commissions	30,625.00	
 2017-CA Educational Systems	 28,800.00	 2/16/17
Less: Stacy Miller PA Commissions	5,040.00	
 2017- Catholic Charities	 235,000.00	 9/28/17
Less: Stacy Miller PA Commission	TBD	

California State Outdoor Advertising Association

Bank Account Balances

September 30, 2017

US Bank Checking Account	\$ 3,513.48
US Bank Market Value Saving Account	<u>\$515,989.43</u>
TOTAL BANK ACCOUNT BALANCES	\$519,502.91

California State Outdoor Advertising Association

Annual Membership Meeting

October 10, 2016

The Ritz-Carlton, Laguna Niguel

One Ritz-Carlton Drive, Dana Point, California 92629

(949) 240-2000

MINUTES

1:00pm

(1). Call to Order

The meeting was called to order at 1:13pm.

Attendees:

Ray Baker, Lamar

Phil Cherry, Lamar

Ted Stream, Lamar

Brian Smith, Lamar

Billy Wynn III, General Outdoor

Bill Wynn, Jr., General Outdoor

Mark Kudler, Bulletin Displays

Al Martini, United

Stacy Miller, Stacy Miller Public Affairs

Ryan Brooks, Outfront

Jock Gibb, Formetco

Jeannie Carbajal, Independent's

Tim Lynch, General Outdoor

Greg Redeker, Stott

Jim Moravec, Stott

Kyle Dines, Watchfire Signs

Josh Haygood, Watchfire Signs

Michael Wright, Attorney at Law

Mary Valencia, Outfront

Marnie Cody, Hamlin + Cody

James Johnsen, Johnsen, Fretty

Greg McGrath, Clear Channel

Ken Person, YESCO

Dave McWalters, Clear Channel

John Duong, Clear Channel

Danny La Rosa, Clear Channel

Meghan Loper, CSOAA Advocate

Dennis Loper, CSOAA Advocate

Ron Beals, CSOAA Counsel

Myron Laible, OAAA (via teleconference)

Joshua Dick, Gibson Dunn (via teleconference for SSB presentation only)

(2). Anti-Trust Policy – Pg.1

Attendees were asked to review the anti-trust policy. There were no questions regarding the policy.

(3). Welcome & Introductory Remarks

- Billy Wynn, CSOAA President

Mr. Wynn welcomed group and introduced a few new associate members who have joined CSOAA in the past few months:

- Jeannie Carbajal of Independent's Services
- Jock Gibb of Formetco
- James Johnsen of Johnsen, Fretty & Co. LLC

Additionally, Mr. Wynn acknowledged our other new member: Scott Miller of Miller Crane & Sign Company.

(4). Caltrans Office of Outdoor Advertising – Presentation and Q & A – Pg. 2

- Velessata Kelly, Office Chief, Office of Outdoor Advertising, Caltrans
- George Anzo, Southern Area Manager, Office of Outdoor Advertising, Caltrans

Ms. Kelly began her remarks by mentioning three pieces of legislation that the Governor had recently signed related to the outdoor advertising industry: AB 1381; SB 1199 and AB 1373. [Summaries of all legislation covered in CSOAA leg report] She commented that Caltrans legal would be setting direction on future policy in light of those bills – that ODA would be responsible for any necessary regulations, but within the larger hierarchy, following the policy direction from legal.

Next, she commented on VIRs, recognizing that they are of importance to the industry. She clarified that VIRs are not under ODAs control – that they review the applications only to ensure that the applicant has a permit in good standing. Appeals are also not within ODAs jurisdiction. Denials then go to Landscape for review.

Related to MAP-21 implementation – ODA is still awaiting direction relative to Implementation and any updates to the federal/state agreement.

She commented that they continue to work on an improved IT database solution, but unfortunately even an interim solution appears to be 6-9 months away – and thus, she encouraged members to continue to apply for permits using the existing application process.

Related to ODAs internal business review – they are working to streamline with the goal of facilitating more responsive staff with greater ability to handle day to day enforcement.

She provided a licensing update, reporting that they have almost doubled the number of companies operating in compliance – there had been a number of small companies that have been operating without a license. As a result of focused efforts, they have gone from 350 to 700 companies that are currently licensed. 30 small companies that have been notified that they need to seek licensure are still outstanding as the notifications have been “returned to sender.”

On enforcement efforts, Ms. Kelly reported that the 1-5 sweep relied heavily on complaints from industry or FHWA. And with that she allowed her colleague George Anzo to make his remarks. Mr. Anzo began his remarks by stating his area (Southern Area) covers 10 counties with only 3 inspectors. On a compliance sweep from Sacramento to Los Angeles they issued 168 notices of violation and sent more than 200 letters. He elaborated that several of those violations were on state property. The sweep concluded at the end of July and only 25 of those notices were outstanding by early October.

Mr. Anzo encouraged our members to send potential violations to the general ODA inbox with a cc to either the northern or southern area manager (or both if unsure of jurisdiction) – suggested including as much information as possible – photos, latitude and longitude (which is even more helpful than post miles) – and feel free to contact the local level as well.

Members had an opportunity to share comments and ask questions of Ms. Kelly and Mr. Anzo. Key takeaways from that discussion included:

- Caltrans staff acknowledged that offenders tend to be “repeat” offenders that use the 30-day corrective period to their advantage. Staff working with legal to help with repeat offenders – working to see if an administrative remedy is available to use a change in the notice of violation that is about the structure, rather than the copy being used.
- Discussion relating to relocation agreements – Caltrans staff working on a streamlined process as the result of an internal six sigma process improvement project. Working internally with the Right-of-Way unit to see about giving outdoor companies an option at the outset rather than waiting until the end of process. Right-of-Way has to make changes to their manual. Negotiations still on a case by case basis.
- CSOAA members raised issue related to spacing. Existing inventory being classified as “legal non-conforming” because a local jurisdiction may approve a message center that creates a 1,000-spacing need where it hadn’t previously existed.

(8). OAAA Update – ITEM TAKEN OUT OF ORDER

- Myron Laible (joining via conference call)

Mr. Laible joined via conference call to provide updates from the Federal perspective on litigation across the country, industry research and changes at the federal level.

He reported that in September a three-judge panel of the US Circuit Court of Appeals for the District of Columbia unanimously rejected Scenic America’s attack on digital billboards. The federal appeals court opined Scenic lacked standing to bring its claim about administrative procedure. Further, the court said the government’s Guidance to the states issued in 2007 did not violate the federal Highway Beautification Act (HBA). Mr. Laible went on to say that the next steps were somewhat uncertain – there could be a request for en banc, there could be a request for cert before the Supreme Court – both possibilities remote – so this could also represent the end of an issue.

Related the Reed vs. Gilbert case - Courts in four states (GA, RI, TN, and TX) considered challenges to state billboard rules based on a 2015 Supreme Court ruling against content-based sign regulation (Reed v. Town of Gilbert). In August, a state appeals court in Texas invalidated key sections of the Texas Highway Beautification Act on grounds that the Act violated the First Amendment’s protection of free speech (Auspro Enterprises v. Texas DOT). The state is seeking further legal review.

Mr. Laible reported that research is ongoing related to autonomous vehicles and about other marketplace disruption. Nielsen Media Research is looking that the value of posters and San Diego is one of the test markets. The study results are expected to be released the first quarter of next year.

Related to OAAAs Member of Congress programs - Kerry Yoakum will be the point of contact. OAAA looking to do congratulatory boards for a few retiring members including Senator Harry Reid. Speculation is that Senator Chuck Schumer would succeed Senator Reid as the next Senate Democratic leader. On Senate Environment and Public Works Committee, OAAA anticipates that Senator Boxer will likely be replaced by Senator Ben Cardin, Maryland or Senator Tom Carper, Delaware.

(7). Legal Issues – Pg. 13 – Pg. 18 - ITEM TAKEN OUT OF ORDER

- Sugar Sweetened Beverages Litigation – Joshua Dick, Gibson Dunn (joining via conference call at 2:30pm)

Mr. Dick offered a quick recap of the progress related to the ongoing Sugar Sweetened Beverage litigation in San Francisco. He reported that the case was currently in the Ninth Circuit Court of Appeals. Next step – court will hear oral arguments – likely in early 2017. In the meantime, the City is prohibited from enforcing its ordinance. The length of time from oral arguments until a decision is issued varies – but likely will be at least 3 to 4 months.

- Kern County Prevailing Wage Issue – Michael Wright

Mr. Wright reported that after 15 months there had been a favorable ruling from the Department of Industrial Relations (DIR) in the Kern County Prevailing Wage case. DIR determined that vinyl billboard advertisements are NOT “installation” or other work subject to the Prevailing Wage Law (PWL). Mr. Wright explained that any affected party can appeal within 30 days of the decision. The appeal process starts with a review of the decision by the director of DIR, who is the same person who issued the decision. So, the appeal is more accurately a reconsideration of the decision rather than an appeal by a higher authority. If dissatisfied with the outcome in the administrative appeal, interested parties can seek review in the courts.

Mr. Wright summarized, (if the decision stands) that outdoor companies can do business with public entities on the terms they use with private customers. This doesn’t stop government entities from insisting on prevailing wages anyway. But entities that act like regular customers should want the benefits of the less expensive outdoor advertising this decision permits.

(5). Financial Update and Last Meetings Minutes – Pg. 3 – Pg. 8

- Ray Baker, CSOAA Treasurer

Mr. Baker invited participants to review the financial report and the minutes.

Mr. Kudler made a motion, Mr. Lynch seconded. The financial report and minutes were adopted.

(6). PSA Program Update – Pg. 9 – Pg. 12

- Stacy Miller, Stacy Miller Public Affairs

Ms. Miller invited attendees to review the PSA program report in the packets. She reported that the PSA committee had elected to increase the pricing on June 1st. She clarified that posting fees would be remitted for each post – not for moving once the initial post had been made.

Additionally, she shared that they are seeing an increase in the sale of junior posters. From a process standpoint, they have increased communication and coordination with local markets.

In 2016, to date there had been 9 campaigns – currently there are 6 campaigns running through the end of the year. The PSA program generated just under \$600,000 in revenue in 2016. There are 2 more campaigns in the hopper for early next year.

Ms. Miller congratulated the group on the participation and requested that the members help to turn around completion reports for their participation in each campaign. The completion reports are important to the nonprofits that utilize the program and are helpful tools in attracting new participants.

(9). Legislative Update – 2016 – Pg. 19 – Pg. 59

- Meghan Loper & Dennis Loper, CSOAA Legislative Advocates & Ron Beals, CSOAA Counsel
- General Election, November 8, 2016 – Statewide Ballot Measures

Ms. Loper gave the legislative update and discussed numerous legislative victories and things to be mindful of in the coming year. First, Loper highlighted bills she associated with work done in the previous legislative year.

AB 1381 clarified that employees of outdoor advertising companies could continue to conduct business negotiations related to the placement and operation of outdoor advertising displays without seeking licensure as a real estate broker for these specific transactions. AB 1381 was successfully passed with bipartisan support and was signed by the Governor. The statute has been chaptered and will become effective January 1, 2017.

Additionally, AB 1373 was signed into law. The bill exempted from the provisions of the Outdoor Advertising Act advertising displays located in specific geographic areas in the City of Los Angeles if those displays met specified conditions and requirements, including the adoption of, and compliance with, an ordinance by the City of Los Angeles. Loper highlighted that the Senate Transportation committee recommended an amendment to address concerns related to the potential loss of federal highway funds as the result of a violation of federal law or regulation. These amendments, were viewed favorably by the CSOAA board and Legislative committee, since they require that a determination is made prior to the sign being placed, rather than waiting for a display to be found in violation and then undertaking the lengthy process to have illegal signs removed. With the amendments CSOAA elected not to take a position on the bill.

SB 1199 was also signed by Governor Brown. This measure created an RDA-like zone specifically for the City of Inglewood. Because of the competing bills and the focus on defeating CMS at the direction of the board, the association did not take an active role during the second half of the session. Once SB 1199 was narrowed to impact only the City of Inglewood, the author was persuasive with his colleagues, describing the measure as a narrow "district bill." There was little legislative debate and the measure received broad bipartisan support. The CSOAA made it clear that while SB 1199 involves one city, we will actively oppose any further attempt by other cities to emulate SB 1199.

Additionally, Ms. Loper highlighted that on June 2, SB 1397 (Huff) was defeated on the Senate Floor (Ayes 10. Noes 17). The positive outcome was a combination of some effective lobbying coupled with a series of strategic calls to senators from many CSOAA members. Loper highlighted that it was very likely that the proponents would continue to pursue this concept either in the new legislative session, or in the ongoing transportation special session.

(10). Industry Issues – Pg. 60 – Pg. 66

- Visual Improvement – Greg Redeker, Stott
 - Caltrans' implementation of pruning and landscape planting policies
- Vandalism Committee Report – Members of the Vandalism Committee

Mr. Redeker invited the attendees to review the summary document in the packet. He encouraged his colleagues to reinvigorate the Vegetation committee. His suggestion was that the CSOAA has had past success when negotiating with Caltrans as a group on issues of mutual interest to the members. The current membership of the Vegetation committee was reported to be:

- *Jim Moravec, Stott Outdoor*
- *Mark Kudler, Bulletin Displays*
- *Ray Baker, Lamar*
- *Tim Lynch, General Outdoor*

Others were invited and encouraged to join and participate.

Mr. Lawson provided an update on the efforts of the Vandalism committee. The committee has continued to work with Risk Solutions & Investigations, Inc. ("RSI") to assist in mitigating the ongoing graffiti problem plaguing the billboard advertising industry, particularly as "street art" has gain notoriety. The committee is pleased with the progress to date. Next steps are to continue work on a database of information that can be used to support law enforcement efforts to prosecute offenders. At this point, there is no additional ask of the membership, the committee with further updates.

(11). For the Good of the Order & Closing Remarks

There was no further discussion. Members were reminded to join for the Legend's Reception and Dinner.

(12). Adjournment

Mr. Lynch made a motion for adjournment; Mr. Kudler seconded.

Meeting adjourned at 4:42pm.

DEPARTMENT OF TRANSPORTATION

OFFICE OF OUTDOOR ADVERTISING

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*Making Conservation
a California Way of Life.*

September 22, 2017

CERTIFIED MAIL: 7016 2140 0000 3854 3228

Mr. Billy Wynn III
President
California State Outdoor Advertising Association
General Outdoor Advertising
632 S. Hope Avenue
Ontario, CA 91761-1823

RECEIVED

SEP 25 2017

BY: _____

Dear Mr. Wynn:

Recently the California Department of Transportation (Caltrans) Office of Outdoor Advertising (ODA) extended an invitation to members of the California State Outdoor Advertising Association (CSOAA) to meet and discuss the outdoor advertising permit fee for 2018. The meeting has been scheduled for Tuesday, October 3, 2017 at 2:00 p.m. at the Caltrans headquarters office in Sacramento.

At present, the annual permit fee for 2018 is set by 4 CCR § 2422.1 which states that the "annual fee for each advertising display shall be one hundred dollars (\$100)." The \$100 annual permit fee would remain unchanged absent legislation. In light of this direct regulatory approach, a meeting may or may not be the most efficient way to move forward. Of course, Caltrans welcomes your perspective and is holding the meeting date should you, or your membership, wish to discuss the 2018 annual permit fee in person. You are also welcome to write or call with questions, comments or concerns regarding the permit fee or other matters.

My direct line is (916) 653-4969. I look forward to hearing from you at your convenience or meeting with you in person shortly.

Sincerely,

A handwritten signature in cursive script that reads "Velessata Kelley".

VELESSATA KELLEY

Chief

Cc: Joann Georgallis

California Department of Transportation Office of Outdoor Advertising

Permit Fee Methodology and Applicable Codes

Business and Professions Code §5226 states, "The regulation of advertising displays adjacent to any interstate highway or primary highway as provided in Section 5405 is hereby declared to be necessary to promote the public safety, health, welfare, convenience and enjoyment of public travel, to protect the public investment in such highways, to preserve the scenic beauty of lands bordering on such highways, and to insure that information in the specific interest of the traveling public is presented safely and effectively, recognizing that a reasonable freedom to advertise is necessary to attain such objectives."

Business and Professions Code §5250 states, "The director may make orders and regulations for the enforcement of this chapter and may authorize the Department of Transportation to enforce its provisions."

Business and Professions Code, § 5485 (a) states in pertinent part that, "(1) The annual permit fee for each advertising display shall be set by the director. (2) The fee shall not exceed the amount reasonably necessary to recover the cost of providing the service or enforcing the regulations for which the fee is charged, but in no event shall the fee exceed one hundred dollars (\$100)... (3) The fee may reflect the department's average cost, including the indirect costs, of providing the service or enforcing the regulations."

The following Project ID codes represents the activities that the Office of Outdoor Advertising performs to fulfill its statutory mandates and obligation.

ODA Activity Categories
Permit Applications
Surveying
ODA System Solution
Training specific to ODA
Customer Service, Phone calls, Correspondence
Program Administration
Violations
Legal Actions; Hearings, Settlements

*Reference ODA Task Summary for further detail.

In order to quantify costs associated with the Outdoor Advertising permit fee, budget staff generated a report that captured select charges (Personal Services - salaries, benefits and Operating Expenses – purchases, travel, communications, utility, training, printing and internal and external consulting or service contracts) from fiscal years 2014/15, 2015/16, and 2016/17. From these reports, three year averages of expenditures were calculated. The Operating Expense reports were scrutinized and to limit expenses. The conservative approach taken omitted attorney fees, management oversight, and general overhead costs, among others.

OUTDOOR ADVERTISING TASKS SUMMARY

PERMIT APPLICATIONS

This work segment captures workload to approve or deny new permit applications for the placement of outdoor advertising displays or license applications according to law.

- Receive and review permit application for completeness.
 - Contact applicant as necessary
- Pre-inspection activities such as locating imprint, identifying nearby businesses, and finding a safe inspection location.
- Identify appropriate highway designations such as landscaping, scenic, or bonus.
- Research logs to determine nearest permitted displays on same side of highway to prepare for onsite measurements.
- Research historical documentation at imprint location such as past violations or canceled permits.
- Verify property owner identity and written consent for new permit.
- Identify Assessor's parcel number, investigate and verify zoning
- Consult with district to determine if there is construction on the subject segment, obtain certificates of sufficiency as appropriate.
- Verify local approval from city or county e.g. building permit, board resolution, ordinances, planning documents, or other documentation showing permission for new permit.
- Conduct field inspection
 - Confirm location of imprint, record coordinates.
 - Measure and record post miles
 - Measure and record distances to nearest highway crossings or other landmarks
 - measure and record distances to business activities
 - measure and record distances to nearest permitted displays
 - measure and record distances to nearest message center displays
 - photograph imprint, business or industrial activities and buildings, state highway in both directions
- Conduct post-inspection activities confirming all information obtained during the field inspection and pre-inspection activities.
- Submit all findings and documentation for peer review.
- Submit peer-reviewed permit file to regional supervisor for review and approval.
- Finalize permit application package for review and approval by office chief*.
- Conduct meetings, share best practices, foster knowledge transfer, provide program expertise, and conduct functional training.
- Travel

SURVEYING

This work segment captures routine surveys of all routes on the National Highway System to inspect permitted displays in the program's inventory.

- Conduct pre-inspection activities, identify survey route and review existing permit documents including past survey photos for each permitted display on route.
- Make travel plans and reservations.

* This charge is not included in the summary of costs.

- Conduct field inspection to confirm each permitted display is operating as described in permit documents.
- Verify customary maintenance has not been violated.
- Verify appropriate changing of advertising messages.
- Note the ability of companies adding an extension to an outside dimension of a display as incident to the copy for a temporary period up to three years.
- Research the sale, lease, or transfer of the permitted display while in the field.
- Coordinate with local governmental entities to review proper placement of displays.
- Conduct post-inspection activities, including updating ODA database and loading field inspection findings/documentation into ODA Shared Network Drive.
- Travel

ODA SYSTEM SOLUTION

This work segment captures staff time spent on the Outdoor Advertising program permit tracking system in Lotus Notes as well as migration of data to a new system/platform.

- Planning and implementation meetings
- Conduct Business Process Review
- Coordination with IT
- Drafting Feasibility Study Report
- Preparing Request for Bid with Division of Procurement and Contracts
- Preparing and reviewing Request for Bid
- Preparing and reviewing Request for Information
- Preparing and reviewing Request for Offer
- Evaluating Request for Proposal and Request for Qualifications
- Project Oversight.
- Testing.
- Software Deployment/Initial Rollout.
- Contract Management.
- System Development/Software Configuration.
- Project Management.
- Deployment and debugging
- Training

TRAINING SPECIFIC TO ODA

This work segment captures training activities required to enforce the Outdoor Advertising Act.

- Provide training for new personnel.
- Continuing training for experienced personnel.
- Provide training for public and/or private organization affiliated with the Outdoor Advertising Program (i.e. Division of Landscape Architecture, Division of Maintenance, Division of Right of Way, and National Alliance of Highway Beautification Agencies).
- Conduct workshops to train staff.

CUSTOMER SERVICE, PHONE CALLS, CORRESPONDENCE

This work segment captures customer service activities by outdoor advertising staff statewide to enforce compliance with the Outdoor Advertising Act

- Correct post mile entries in the database related to permits per field inspector findings.
- Draft written correspondence for responses to inquiries.
- Receive and answer phone calls related to outdoor advertising issues.
- Return phone call messages left on public line within 72 hours of receipt.
- Keep hard copy updates to ongoing filing system.
- Process Business Name Change forms.
- Process permit transfer requests.
- Enter necessary log notes in the database for applications and violations.
- Process refunds as needed through the Division of Accounting.
- Coordinate internal and external meetings. Collaborate with other departmental offices.
- Represent and promote Traffic Operations, Office of Outdoor Advertising internally and externally.
- Travel

PROGRAM ADMINISTRATION

This work segment captures program administration activities required to enforce the Outdoor Advertising Act.

- Provide legislative bill proposals and analysis to executive management and Legislative Affairs.
- Develop and maintain policies and procedures related to outdoor advertising control.
- Verify display history to ensure legality and status of display.
- Maintain Outdoor Advertising database.
- Meet with Caltrans divisions regarding the Outdoor Advertising Program (i.e. Division of Maintenance, Landscape Architecture, Legislative Affairs, and the Director's Office) and staff from the Federal Highway Administration.
- Participate in outdoor advertising conferences and industry meetings (i.e. National Alliance of Highway Beautification Agencies annual outdoor advertising conference).
- Conduct meetings to address program administration activities.
- Share best practices to ensure proper application of the laws and regulations.
- Foster knowledge transfer to exhibit consistency and continuity regarding business processes.
- Provide program expertise and conduct staff training.
- Collaborate with other departmental offices.
- Represent and promote Traffic Operations, Office of Outdoor Advertising internally and externally.
- Travel
- Initiate and complete rule-making process through the Office of Administrative Law to improve and clarify state regulations affecting the Office of Outdoor Advertising.

VIOLATIONS

This work segment captures activities required to process violations arising from the enforcement of the Outdoor Advertising Act.

- Based on internal/external complaints conduct pre-inspection activities.
- Conduct field inspection.

- Apply all criteria of the Outdoor Advertising Act (Act) and Highway Beautification Act to existing displays along the Interstate System and inspect unpermitted/illegal displays.
- Utilize GPS and GIS equipment to identify precise location of display.
- Research official government records to verify property ownership and appropriate zoning.
- Prepare and provide notifications via certified mail to appropriate display or property owners.
- List all applicable violations pertaining to the display on the Notice of Violation (NOV).
- Maintain Outdoor Advertising database related to violation notices.
- Follow up with corrective action for compliance with the Outdoor Advertising Act.
- Prepare and submit NOV for second-level (manager) review.
- Review NOV for accuracy and inclusion of all applicable violations.
- Issue a Notice of Violation to those displays not in compliance with the Act.
- Communicate with clients to facilitate corrective action or resolution of the violation.
- Conduct meetings to address violations.
- Share best practices and proper application of the laws and regulations.
- Foster knowledge transfer to exhibit consistency and continuity regarding violation process.
- Provide Program expertise and conduct training.
- Travel

LEGAL ACTIONS; HEARINGS, SETTLEMENTS

This work segment captures workload to administer appeals and legal actions of the Outdoor Advertising Act and its implementing regulations. This item only captures work performed by program staff to support legal proceedings; it does not include attorney expenses.

- Respond to legislative inquiries.
- Prepare legislative bill analyses.
- File requests with Caltrans Legal Division for administrative appeal hearings.
- Conduct field inspections of displays for evidentiary purposes. Obtain current photographs.
- Perform research and documentation for appeal hearings.
- Review parcel maps and zoning designations.
- Obtain current accusations, motions, filings, pleadings, etc., from Caltrans Legal Division.
- Review deposition transcripts for accuracy.
- Appear for sworn testimony and/or deposition provided in mediation or court.
- Provide information to the Legal Division for appeal hearings.
- Meet with industry and Legal Division to resolve pending legal issues.
- Collaborate with Legal Division on case strategies.
- Answer interrogatories and compile additional evidence for outdoor advertising cases.
- Monitor hearing and trial calendars statewide.
- Conduct staff meetings to address appeals, lessons learned.
- Share best practices to ensure proper application of the laws and regulations.
- Participate in settlement hearings through the Office of Administrative Hearings (OAH).
- Travel

Traffic Operations Outdoor Advertising Program Expenditures

Activity Description	FY 2015			FY 2016			FY 2017			Average		
	Personal Services	Operating Expense	Total	Personal Services	Operating Expense	Total	Personal Services	Operating Expense	Total	Personal Services	Operating Expense	Total
Appeal Process	\$43,073	\$140	\$43,212	\$95,687	\$1,674	\$97,361	\$77,237	\$16,258	\$93,495	\$71,999	\$6,024	\$78,023
Applications Review	\$226,339	\$8,214	\$234,553	\$281,740	\$4,071	\$285,811	\$299,424	\$5,496	\$304,919	\$269,167	\$5,927	\$275,094
Program Administration	\$817,903	\$199,443	\$1,017,346	\$403,093	\$13,058	\$416,151	\$335,171	\$22,178	\$357,349	\$518,723	\$78,226	\$596,949
Violations & Citations Enforcement	\$92,311	\$1,871	\$94,182	\$100,427	\$1,613	\$102,040	\$109,403	\$1,370	\$110,774	\$100,714	\$1,618	\$102,332
Permit System			\$0	\$2,790		\$2,790	\$29,205	\$268,355	\$297,560	\$10,665	\$89,452	\$100,117
Surveying - Field Inspections			\$0	\$100,667	\$10	\$100,677	\$66,544	\$797	\$67,341	\$55,737	\$269	\$56,006
Training			\$0	\$57,355	\$2,285	\$59,640	\$25,766	\$159	\$25,925	\$27,707	\$815	\$28,522
Customer Service			\$0	\$60,488	\$480	\$60,968	\$94,847		\$94,847	\$51,778	\$160	\$51,938
	\$1,179,626	\$209,667	\$1,389,293	\$1,102,247	\$23,191	\$1,125,438	\$1,037,597	\$314,612	\$1,352,209	\$1,106,490	\$182,490	\$1,288,980

Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2015 Personal Services Expenditure Detail

Activity Description	Employee Name	Personal Service Total
APPEAL PROCESS	ANZO JR, GEORGE	\$6,714
	ARBIS, JAMES	\$6,951
	AUSTEN, THOMAS	\$58
	CHAMPANERI, R	\$4,752
	DAY, MICHELE	\$450
	EDWARDS, JERONE	\$5,920
	JIMENEZ, CHRISTOPH	\$5,163
	KELLEY, VELESSATA	\$4,167
	PARMELEE, KENNETH	\$241
	TRAVERSO, SAMANTHA	\$8,656
Appeal Process Total		\$43,073
APPLICATION REVIEW	LEZCHUK, SCOTT	\$323
	ANZO JR, GEORGE	\$33,632
	ARBIS, JAMES	\$24,945
	AUSTEN, THOMAS	\$1,539
	CHAMPANERI, R	\$38,838
	DAY, MICHELE	\$10,980
	EDWARDS, JERONE	\$3,362
	HAWK, DANIEL	\$8,967
	JIMENEZ, CHRISTOPH	\$9,098
	KELLEY, VELESSATA	\$683
	KRESS, JOSHUA	\$3,669
	PARMELEE, KENNETH	\$22,542
	TRAVERSO, SAMANTHA	\$30,618
	VALDEZ JR, ALEX	\$37,467
	SHIRAZI, MOHAMMAD	\$25
Application Review Total		\$226,339
PROGRAM ADMINISTRATION	DAVIS, LETHIA	\$46
	VAN BONN, JAMES	\$1,264
	BARBOSA, JOSE	\$0
	REESE, JAMES	\$5,968
	BLANCO-KRAUSS, CRISTINA	\$805
	VASCONCELLOS, ANGELA	\$4,274
	ANZO JR, GEORGE	\$19,601
	ARBIS, JAMES	\$73,854
	AUSTEN, THOMAS	\$38,481
	CHAMPANERI, R	\$31,524
	DAVIS, LETHIA	\$39,740
	DAY, MICHELE	\$55,687
	EDWARDS, JERONE	\$37,847
HAWK, DANIEL	\$22,997	

	JIMENEZ, CHRISTOPH	\$88,428
	KELLEY, VELESSATA	\$124,862
	KRESS, JOSHUA	\$30,847
	PARMELEE, KENNETH	\$77,671
	RODRIGUEZ, NICOLE	\$29,714
	TRAVERSO, SAMANTHA	\$70,160
	VALDEZ JR, ALEX	\$70,477
Program Administration Total		\$817,903
	ISLAM, MOHAMMAD	\$3,243
	SCOTT, THOMAS	\$158
	FONG, CHUEN-YI	\$1
VIOLATIONS & CITATIONS ENFORCEMENT	ANZO JR, GEORGE	\$25,145
	ARBIS, JAMES	\$12,761
	CHAMPANERI, R	\$26,788
	DAY, MICHELE	\$17,304
	EDWARDS, JERONE	\$804
	JIMENEZ, CHRISTOPH	\$9,053
	KELLEY, VELESSATA	\$456
Violation & Citations Enforcement Total		\$92,311
		\$1,179,626

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2016 Personal Services Expenditure Detail

Activity Description	Employee Name	Personal Service Total
APPEAL PROCESS	SIDDIQUI, QUDRAT	\$0
	ALVARADO, EFRAIN	\$451
	RILEY, KEVIN	\$338
	ANZO JR, GEORGE	\$21,896
	ARBIS, JAMES	\$11,057
	CHAMPANERI, R	\$3,371
	DAY, MICHELE	\$2,680
	DEMELO, MATTHEW	\$109
	HAWK, DANIEL	\$2,125
	JIMENEZ, CHRISTOPH	\$3,107
	KELLEY, VELESSATA	\$13,075
	LOPEZ, CRISTIAN	\$692
	PARMELEE, KENNETH	\$186
	TRAVERSO, SAMANTHA	\$37,328
VALDEZ JR, ALEX	\$62	
Appeal Process Total		\$95,687
APPLICATION REVIEW	CANDALOT, JEANNETTE	\$825
	LEZCHUK, SCOTT	\$0
	ANDERSON, NORMAN	\$60
	ANZO JR, GEORGE	\$28,087
	ARBIS, JAMES	\$22,964
	CHAMPANERI, R	\$41,515
	DAY, MICHELE	\$32,917
	DEMELO, MATTHEW	\$30,778
	HAWK, DANIEL	\$6,671
	JIMENEZ, CHRISTOPH	\$4,694
	KANNAN, BINDU	\$17,641
	KELLEY, VELESSATA	\$778
	LOPEZ, CRISTIAN	\$8,104
	PARMELEE, KENNETH	\$25,112
VALDEZ JR, ALEX	\$62,478	
Application Review Total		\$281,740
PROGRAM ADMINISTRATION	MARTIN, DAVID	\$0
	KIBE, JOSEPH	\$0
	DAO, DINH	\$385
	VASCONCELLOS, ANGELA	\$0
	KHOSRAVI, AHMAD	\$670
	RILEY, KEVIN	\$677
	ANZO JR, GEORGE	\$16,157
	ARBIS, JAMES	\$36,785
CHAMPANERI, R	\$9,387	

PROGRAM ADMINISTRATION	DAY, MICHELE	\$21,533
	DEMELO, MATTHEW	\$3,601
	HAWK, DANIEL	\$61,834
	JIMENEZ, CHRISTOPH	\$13,023
	KANNAN, BINDU	\$1,038
	KELLEY, VELESSATA	\$96,544
	PARMELEE, KENNETH	\$64,235
	TRAVERSO, SAMANTHA	\$54,369
	VALDEZ JR, ALEX	\$24,587
Program Administration Total		\$403,093
VIOLATIONS & CITATIONS ENFORCEMENT	ALORA, RIZALINO	\$85
	SHAFER, DANIEL	\$21
	KHOSRAVI, AHMAD	\$0
	ANZO JR, GEORGE	\$12,418
	ARBIS, JAMES	\$11,695
	CHAMPANERI, R	\$25,253
	DAY, MICHELE	\$7,484
	DEMELO, MATTHEW	\$5,241
	JIMENEZ, CHRISTOPH	\$793
	KANNAN, BINDU	\$13,257
	KELLEY, VELESSATA	\$623
	LOPEZ, CRISTIAN	\$5,139
VALDEZ JR, ALEX	\$18,525	
Violation & Citations Enforcement Total		\$100,427
PERMIT SYSTEM	ARBIS, JAMES	\$709
	KELLEY, VELESSATA	\$1,401
	PARMELEE, KENNETH	\$557
	TRAVERSO, SAMANTHA	\$124
Permit System Total		\$2,790
SURVEYING- FIELD INSPECTIONS	ANZO JR, GEORGE	\$6,100
	ARBIS, JAMES	\$13,041
	CHAMPANERI, R	\$19,369
	DAY, MICHELE	\$22,785
	DEMELO, MATTHEW	\$34,856
	KANNAN, BINDU	\$1,972
	KELLEY, VELESSATA	\$1,090
	TRAVERSO, SAMANTHA	\$742
VALDEZ JR, ALEX	\$711	
Surveying-Field inspections Total		\$100,667
TRAINING	ANZO JR, GEORGE	\$10,377
	ARBIS, JAMES	\$20,129
	CHAMPANERI, R	\$859
	DAY, MICHELE	\$3,028
	DEMELO, MATTHEW	\$479
	HAWK, DANIEL	\$2,372

TRAINING	KANNAN, BINDU	\$9,002
	KELLEY, VELESSATA	\$1,479
	LOPEZ, CRISTIAN	\$4,991
	PARMELEE, KENNETH	\$990
	TRAVERSO, SAMANTHA	\$990
	VALDEZ JR, ALEX	\$2,660
Training Total		\$57,355
CUSTOMER SERVICE	ANZO JR, GEORGE	\$2,133
	ARBIS, JAMES	\$9,852
	CHAMPANERI, R	\$7,602
	DAY, MICHELE	\$8,940
	HAWK, DANIEL	\$2,273
	KELLEY, VELESSATA	\$156
	LOPEZ, CRISTIAN	\$49
	PARMELEE, KENNETH	\$8,969
	TRAVERSO, SAMANTHA	\$17,968
VALDEZ JR, ALEX	\$2,545	
Customer Service Total		\$60,488
		\$1,102,247

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2017 Personal Services Expenditures Detail

Activity Description	Employee Name	Personal Service Total
APPEAL PROCESS	HALLENBECK, THOMAS	\$293
	GREER, JAMIE	\$45
	HOLBROOK, ERIN	\$2,659
	HALLENBECK, THOMAS	\$880
	ANZO JR, GEORGE	\$17,708
	ARBIS, JAMES	\$12,959
	CHAMPANERI, R	\$529
	DAY, MICHELE	\$4,134
	KANNAN, BINDU	\$7,636
	KELLEY, VELESSATA	\$8,054
	PARMELEE, KENNETH	\$378
	TRAVERSO, SAMANTHA	\$25,109
	VALDEZ JR, ALEX	\$126
ZAMORA, KIA-MARIA	\$604	
Appeal Process Total		\$77,237
APPLICATION REVIEW	BARKHODAEI, PIROUZ	\$2,766
	ORTEGA, ISAAC	\$4,200
	ANZO JR, GEORGE	\$29,390
	ARBIS, JAMES	\$12,871
	CHAMPANERI, R	\$62,840
	DAY, MICHELE	\$35,868
	DEMELO, MATTHEW	\$6,407
	KANNAN, BINDU	\$23,566
	MILLER, DANIEL	\$16,218
	PARMELEE, KENNETH	\$26,987
	VALDEZ JR, ALEX	\$50,614
ZAMORA, KIA-MARIA	\$34,663	
Application Review Total		\$299,424
PROGRAM ADMINISTRATION	SHAPOUR, YOUSSEF	\$603
	NICKS, RICKY	\$0
	ARNERICH, GERALD	\$199
	KHOSRAVI, AHMAD	\$3,176
	ANZO JR, GEORGE	\$15,796
	ARBIS, JAMES	\$71,737
	CHAMPANERI, R	\$16,698
	DAY, MICHELE	\$15,614
	DEMELO, MATTHEW	\$343
	HAWK, DANIEL	\$7,134
	KANNAN, BINDU	\$13,554
KELLEY, VELESSATA	\$69,626	
MILLER, DANIEL	\$424	

	PARMELEE, KENNETH	\$56,078
	TRAVERSO, SAMANTHA	\$41,740
	VALDEZ JR, ALEX	\$13,028
	ZAMORA, KIA-MARIA	\$13,400
Program Administration Total		\$335,171
VIOLATIONS & CITATIONS ENFORCEMENT	ANZO JR, GEORGE	\$21,814
	ARBIS, JAMES	\$3,194
	CHAMPANERI, R	\$15,020
	DAY, MICHELE	\$6,762
	DEMELO, MATTHEW	\$2,288
	KANNAN, BINDU	\$15,662
	VALDEZ JR, ALEX	\$42,593
	ZAMORA, KIA-MARIA	\$2,071
Cviation & Citations Enforcement Total		\$109,403
PERMIT SYSTEM	ANZO JR, GEORGE	\$3,175
	ARBIS, JAMES	\$8,376
	CHAMPANERI, R	\$414
	DAY, MICHELE	\$5,343
	KANNAN, BINDU	\$554
	KELLEY, VELESSATA	\$1,519
	PARMELEE, KENNETH	\$3,680
	TRAVERSO, SAMANTHA	\$3,195
	VALDEZ JR, ALEX	\$1,164
	ZAMORA, KIA-MARIA	\$1,786
Permit System Total		\$29,205
SURVEYING- FIELD INSPECTIONS	ANZO JR, GEORGE	\$2,251
	ARBIS, JAMES	\$8,337
	CHAMPANERI, R	\$3,768
	DAY, MICHELE	\$19,729
	DEMELO, MATTHEW	\$5,263
	KANNAN, BINDU	\$26,476
	KELLEY, VELESSATA	\$0
	ZAMORA, KIA-MARIA	\$721
Surveying-Field indpections Total		\$66,544
TRAINING	ANZO JR, GEORGE	\$3,465
	ARBIS, JAMES	\$3,350
	CHAMPANERI, R	\$69
	DAY, MICHELE	\$3,280
	HAWK, DANIEL	\$148
	KANNAN, BINDU	\$2,561
	MILLER, DANIEL	\$8,690
	VALDEZ JR, ALEX	\$247
		ZAMORA, KIA-MARIA
	KENYON, GARY	\$1,099

Training Total		\$25,766
CUSTOMER SERVICE	ANZO JR, GEORGE	\$4,664
	ARBIS, JAMES	\$7,463
	CHAMPANERI, R	\$6,723
	DAY, MICHELE	\$11,860
	HAWK, DANIEL	\$297
	PARMELEE, KENNETH	\$15,338
	TRAVERSO, SAMANTHA	\$41,089
	VALDEZ JR, ALEX	\$6,084
ZAMORA, KIA-MARIA	\$1,330	
Customer Service Total		\$94,847
Grand Total		\$1,037,597

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2015 Operating Expense Expenditure Detail

Activity Description	Category	Vendor Name	Operating Expense Total
APPEAL PROCESS	Travel: In-State	VELESSATA M KELLEY	\$140
Appeal process Total			\$140
APPLICATION REVIEW	Communications	VERIZON WIRELESS	\$481
	Travel: In-State	CHRISTOPH J JIMENEZ	\$300
		GEORGE ANZO JR	\$1,772
		JOSHUA T KRESS	\$165
		MICHELE M DAY	\$3,479
		THOMAS J AUSTEN	\$2,017
Application Review Total			\$8,214
PROGRAM ADMINISTRATION	General Expense	EXPRESS OFFICE PRODUCTS INC	\$155
		FRANKLIN COVEY CATALOG SALES INC (CATALOG PRODUCT ORDERS)	\$0
		HF TECH SERVICES INC	\$510
		MICRODYNAMICS INSTRUMENTATION	\$67
		TECHNOLOGY INTEGRATION GROUP 7810 TRADE STREET	\$0
		TECHNOLOGY INTEGRATION GROUP PC SPECIALIST INC	\$616
		U S GOVERNMENT PRINTING OFFICE	\$600
	Communications	VERIZON WIRELESS	\$832
	Travel: In-State	ALEX VALDEZ JR	\$985
		AMERICAN EXPRESS	\$319
		AMEX-AIRLINE BTA AMERICAN EXPRESS	\$2,208
		DANIEL B HAWK	\$312
		DEPT OF GENERAL SERVICES	\$980
JAMES A REESE		\$603	
JERONE B EDWARDS		\$287	
Training	KENNETH B PARMELEE	\$300	
	LETHIA DAVIS	\$336	
	SAMANTHA E TRAVERSO	\$756	
		(blank)	(\$277)
Training	CPRESCUE	\$56	
Consultant and Professional Services - Interdepartmental	INFORMATIX INC	\$189,800	
Equipment	INFOR (US) INC	\$0	
Program Administration Total			\$199,443
VIOLATIONS & CITATIONS ENFORCEMENT	Communications	VERIZON WIRELESS	\$1,871
Violation & Citations Enforcement Total			\$1,871
			\$209,667

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures
FY 2016 Operating Expense Expenditure Detail

Activity Description	Category	Vendor Name	Operating Expense Total
APPEAL PROCESS	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$447
		VELESSATA M KELLEY	\$1,067
	Consultant and Professional Services - Interdepartmental	DEPT OF GENERAL SERVICES	\$160
Appeal process Total			\$1,674
APPLICATION REVIEW	Communications	VERIZON WIRELESS	\$508
	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$20
		BINDU KANNAN	\$118
		CRISTIAN LOPEZ	\$147
		GEORGE ANZO JR	\$721
		MATTHEW DEMELO	\$1,175
		MICHELE M DAY	\$1,383
Application Review Total			\$4,071
PROGRAM ADMINISTRATION	General Expense	AMAZON.COM	\$203
		DEPT OF GENERAL SERVICES	\$134
		EXPRESS OFFICE PRODUCTS INC	\$269
		LASER RECHARGE	\$90
		MICRODYNAMICS INSTRUMENTATION	\$92
		THE GREEN OFFICE INC	\$126
	Communications	VERIZON WIRELESS	\$2,163
		(blank)	\$121
	Travel: In-State	ALEX VALDEZ JR	\$4,140
		AMERICAN EXPRESS	\$512
AMEX-AIRLINE BTA AMERICAN EXPRESS		\$3,708	
NENA T VUONG		\$155	
R L CHAMPANERI		\$777	
Special Adjustments	VELESSATA M KELLEY	\$296	
	(blank)	\$272	
Program Administration Total			\$13,058
VIOLATIONS & CITATIONS ENFORCEMENT	Communications	VERIZON WIRELESS	\$1,413
	Travel: In-State	BINDU KANNAN	\$201
Violation & Citations Enforcement Total			\$1,613
SURVEYING- FIELD INSPECTIONS	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$10
Surveying-Field inspections Total			\$10
TRAINING	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$647
		CRISTIAN LOPEZ	\$819
		JAMES R ARBIS	\$819
Training Total			\$2,285
CUSTOMER SERVICE	Travel: In-State	AMERICAN EXPRESS	\$50
		AMEX-AIRLINE BTA AMERICAN EXPRESS	\$430
Customer service Total			\$480
Grand total			\$23,191

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2017 Operating Expense Expenditure Detail

Activity Description	Category	Vendor Name	Operating expense Total
APPEAL PROCESS	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$512
		CITIGROUP dba CITIBANK	\$752
		ERIN E HOLBROOK	\$309
		GEORGE ANZO JR	\$59
		JAMES R ARBIS	\$1,020
	VELESSATA M KELLEY	\$98	
	Consultant and Professional Services - Interdepartmental	DEPT OF GENERAL SERVICES	\$13,817
Appeal Process Total			\$16,258
APPLICATION REVIEW	Communications	VERIZON WIRELESS	\$596
	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$10
		CITIGROUP dba CITIBANK	\$5
		DANIEL K MILLER	\$156
GEORGE ANZO JR		\$3,343	
KIA-MARIA ZAMORA		\$158	
MICHELE M DAY	\$1,228		
Other Items of Expense	GIBBS INTERNATIONAL TRUCKS INC	\$21	
		(blank)	(\$21)
Application Review Total			\$5,496
PROGRAM ADMINISTRATION	General Expense	AMAZON.COM	\$130
		BEST BUY	\$2,654
		BESTBUY.COM	\$276
		BURKETT'S OFFICE SUPPLIES INC	\$592
		EXPRESS OFFICE PRODUCTS INC	\$61
		FOCUS CAMERA LLC	\$4,917
		MICRODYNAMICS INSTRUMENTATION	\$24
		STAPLES INC	\$80
		WALMART	\$102
	Communications	VERIZON WIRELESS	\$2,972
	Travel: In-State	ALEX VALDEZ JR	\$4,286
		AMERICAN EXPRESS	\$257
		AMEX-AIRLINE BTA AMERICAN EXPRESS	\$650
		BINDU KANNAN	\$119
CITIGROUP dba CITIBANK		\$2,871	
R L CHAMPANERI		\$1,063	
Equipment	SAMANTHA E TRAVERSO	\$417	
	VELESSATA M KELLEY	\$290	
Other Items of Expense	NWN CORPORATION	\$392	
	ABLE TIRE & BRAKE INC	\$4	
	DIABLO VALLEY BILL'S TIRE SERVICE INC	\$0	
	HOSE & FITTINGS ETC	\$22	
		ROAD MACHINERY LLC	\$0
Program Administration Total			\$22,178
VIOLATIONS & CITATIONS ENFORCEMENT	Communications	VERIZON WIRELESS	\$1,014
	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$146
		BINDU KANNAN	\$23
		CITIGROUP dba CITIBANK	\$187
Violation & Citations Enforcement Total			\$1,370
	Consultant (External)	FSK HILL COMPANY INC	\$0

PERMIT SYSTEM	Consultant (External)	KPMG LLP	\$28,000
	Information Technology	NWN CORPORATION	\$240,355
Permit System Total			\$268,355
SURVEYING- FIELD INSPECTIONS	Travel: In-State	BINDU KANNAN	\$797
Surveying-Field inspections Total			\$797
TRAINING	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$152
		CITIGROUP dba CITIBANK	\$7
		DULCE R FELDMAN	\$485
Training Total			\$159
Grand Total			\$314,612

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Traffic Operations Outdoor Advertising Program Expenditures

FY 2015 Personal Services Expenditures Detail

Activity Description	Employee Name	Personal Service Total
APPEAL PROCESS	ANZO JR, GEORGE	\$6,714
	ARBIS, JAMES	\$6,951
	AUSTEN, THOMAS	\$58
	CHAMPANERI, R	\$4,752
	DAY, MICHELE	\$450
	EDWARDS, JERONE	\$5,920
	JIMENEZ, CHRISTOPH	\$5,163
	KELLEY, VELESSATA	\$4,167
	PARMELEE, KENNETH	\$241
	TRAVERSO, SAMANTHA	\$8,656
Appeal Process Total		\$43,073
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	ANZO JR, GEORGE	\$33,632
	ARBIS, JAMES	\$24,945
	AUSTEN, THOMAS	\$1,539
	CHAMPANERI, R	\$38,838
	DAY, MICHELE	\$10,980
	EDWARDS, JERONE	\$3,362
	HAWK, DANIEL	\$8,967
	JIMENEZ, CHRISTOPH	\$9,098
	KELLEY, VELESSATA	\$683
	KRESS, JOSHUA	\$3,669
	PARMELEE, KENNETH	\$22,542
	TRAVERSO, SAMANTHA	\$30,618
	VALDEZ JR, ALEX	\$37,467
SHIRAZI, MOHAMMAD	\$25	
Application Review Total		\$226,339
PROGRAM ADMINISTRATION	DAVIS, LETHIA	\$46
	VAN BONN, JAMES	\$1,264
	BARBOSA, JOSE	\$0
	REESE, JAMES	\$5,968
	BLANCO-KRAUSS, CRISTINA	\$805
	VASCONCELLOS, ANGELA	\$4,274
	ANZO JR, GEORGE	\$19,601
	ARBIS, JAMES	\$73,854
	AUSTEN, THOMAS	\$38,481
	CHAMPANERI, R	\$31,524
	DAVIS, LETHIA	\$39,740
	DAY, MICHELE	\$55,687
	EDWARDS, JERONE	\$37,847
	HAWK, DANIEL	\$22,997
	JIMENEZ, CHRISTOPH	\$88,428

Activity Description	Employee Name	Personal Service Total
	KELLEY, VELESSATA	\$124,862
	KRESS, JOSHUA	\$30,847
	PARMELEE, KENNETH	\$77,671
	RODRIGUEZ, NICOLE	\$29,714
	TRAVERSO, SAMANTHA	\$70,160
	VALDEZ JR, ALEX	\$70,477
Program Administration Total		\$817,903
	ISLAM, MOHAMMAD	\$3,243
	SCOTT, THOMAS	\$158
	FONG, CHUEN-YI	\$1
VIOLATIONS & CITATIONS ENFORCEMENT	ANZO JR, GEORGE	\$25,145
	ARBIS, JAMES	\$12,761
	CHAMPANERI, R	\$26,788
	DAY, MICHELE	\$17,304
	EDWARDS, JERONE	\$804
	JIMENEZ, CHRISTOPH	\$9,053
	KELLEY, VELESSATA	\$456
Violation & Citations Enforcement Total		\$92,311
		\$1,179,626

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures
FY 2015 Operating Expense Expenditures Detail

Activity Description	Category	Vendor Name	Operating Expense Total
APPEAL PROCESS	Travel: In-State	VELESSATA M KELLEY	\$140
Appeal process Total			\$140
APPLICATION REVIEW	Communications	VERIZON WIRELESS	\$481
	Travel: In-State	CHRISTOPH J JIMENEZ	\$300
		GEORGE ANZO JR	\$1,772
		JOSHUA T KRESS	\$165
		MICHELE M DAY	\$3,479
	THOMAS J AUSTEN	\$2,017	
Application Review Total			\$8,214
PROGRAM ADMINISTRATION	General Expense	EXPRESS OFFICE PRODUCTS INC	\$155
		FRANKLIN COVEY CATALOG SALES INC (CATALOG PRODUCT ORDERS)	\$0
		HF TECH SERVICES INC	\$510
		MICRODYNAMICS INSTRUMENTATION	\$67
		TECHNOLOGY INTEGRATION GROUP 7810 TRADE STREET	\$0
		TECHNOLOGY INTEGRATION GROUP PC SPECIALIST INC	\$616
		U S GOVERNMENT PRINTING OFFICE	\$600
	Communications	VERIZON WIRELESS	\$832
	Travel: In-State	ALEX VALDEZ JR	\$985
		AMERICAN EXPRESS	\$319
		AMEX-AIRLINE BTA AMERICAN EXPRESS	\$2,208
		DANIEL B HAWK	\$312
		DEPT OF GENERAL SERVICES	\$980
JAMES A REESE		\$603	
JERONE B EDWARDS		\$287	
Training	KENNETH B PARMELEE	\$300	
	LETHIA DAVIS	\$336	
	SAMANTHA E TRAVERSO	\$756	
	(blank)	(\$277)	
CPRESCUE	\$56		
Consultant and Professional Services - Interdepartmental	INFORMATIX INC	\$189,800	
Equipment	INFOR (US) INC	\$0	
Program Administration Total			\$199,443
VIOLETIONS & CITATIONS ENFORCEMENT	Communications	VERIZON WIRELESS	\$1,871
Violation & Citations Enforcement Total			\$1,871
			\$209,667

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2016 Personal Services Expenditures Detail

Activity Description	Employee Name	Personal Service Total
APPEAL PROCESS	SIDDIQUI, QUDRAT	\$0
	ALVARADO, EFRAIN	\$451
	RILEY, KEVIN	\$238
	ANZO JR, GEORGE	\$21,896
	ARBIS, JAMES	\$11,057
	CHAMPANERI, R	\$3,371
	DAY, MICHELE	\$2,680
	DEMELO, MATTHEW	\$109
	HAWK, DANIEL	\$2,125
	JIMENEZ, CHRISTOPH	\$3,107
	KELLEY, VELESSATA	\$13,075
	LOPEZ, CRISTIAN	\$692
	PARMELEE, KENNETH	\$186
	TRAVERSO, SAMANTHA	\$37,328
VALDEZ JR, ALEX	\$62	
Appeal Process Total		\$95,687
APPLICATION REVIEW	CANDALOT, JEANNETTE	\$825
	LEZCHUK, SCOTT	\$0
	ANDERSON, NORMAN	\$60
	ANZO JR, GEORGE	\$28,087
	ARBIS, JAMES	\$22,964
	CHAMPANERI, R	\$41,515
	DAY, MICHELE	\$32,917
	DEMELO, MATTHEW	\$30,778
	HAWK, DANIEL	\$6,671
	JIMENEZ, CHRISTOPH	\$4,694
	KANNAN, BINDU	\$17,641
	KELLEY, VELESSATA	\$778
	LOPEZ, CRISTIAN	\$8,104
	PARMELEE, KENNETH	\$25,112
VALDEZ JR, ALEX	\$62,478	
Application Review Total		\$281,740
PROGRAM ADMINISTRATION	MARTIN, DAVID	\$0
	KIBE, JOSEPH	\$0
	DAO, DINH	\$385
	VASCONCELLOS, ANGELA	\$0
	KHOSRAVI, AHMAD	\$670
	RILEY, KEVIN	\$677
	ANZO JR, GEORGE	\$16,157
	ARBIS, JAMES	\$36,785
CHAMPANERI, R	\$9,387	

Activity Description	Employee Name	Personal Service Total	
PROGRAM ADMINISTRATION	DAY, MICHELE	\$21,533	
	DEMELO, MATTHEW	\$3,601	
	HAWK, DANIEL	\$61,834	
	JIMENEZ, CHRISTOPH	\$13,023	
	KANNAN, BINDU	\$1,038	
	KELLEY, VELESSATA	\$96,544	
	PARMELEE, KENNETH	\$64,235	
	TRAVERSO, SAMANTHA	\$54,369	
	VALDEZ JR, ALEX	\$24,587	
Program Administration Total		\$403,093	
VIOLATIONS & CITATIONS ENFORCEMENT	ALORA, RIZALINO	\$85	
	SHAFFER, DANIEL	\$21	
	KHOSRAVI, AHMAD	\$0	
	ANZO JR, GEORGE	\$12,418	
	ARBIS, JAMES	\$11,695	
	CHAMPANERI, R	\$25,253	
	DAY, MICHELE	\$7,484	
	DEMELO, MATTHEW	\$5,241	
	JIMENEZ, CHRISTOPH	\$793	
	KANNAN, BINDU	\$13,257	
	KELLEY, VELESSATA	\$623	
	LOPEZ, CRISTIAN	\$5,139	
		VALDEZ JR, ALEX	\$18,525
	Violation & Citations Enforcement Total		\$100,427
PERMIT SYSTEM	ARBIS, JAMES	\$709	
	KELLEY, VELESSATA	\$1,401	
	PARMELEE, KENNETH	\$557	
	TRAVERSO, SAMANTHA	\$124	
Permit System Total		\$2,790	
SURVEYING- FIELD INSPECTIONS	ANZO JR, GEORGE	\$6,100	
	ARBIS, JAMES	\$13,041	
	CHAMPANERI, R	\$19,369	
	DAY, MICHELE	\$22,785	
	DEMELO, MATTHEW	\$34,856	
	KANNAN, BINDU	\$1,972	
	KELLEY, VELESSATA	\$1,090	
	TRAVERSO, SAMANTHA	\$742	
	VALDEZ JR, ALEX	\$711	
Surveying-Field inspections Total		\$100,667	

Activity Description	Employee Name	Personal Service Total
TRAINING	ANZO JR, GEORGE	\$10,377
	ARBIS, JAMES	\$20,129
	CHAMPANERI, R	\$859
	DAY, MICHELE	\$3,028
	DEMELO, MATTHEW	\$479
	HAWK, DANIEL	\$2,372
	KANNAN, BINDU	\$9,002
	KELLEY, VELESSATA	\$1,479
	LOPEZ, CRISTIAN	\$4,991
	PARMELEE, KENNETH	\$990
	TRAVERSO, SAMANTHA	\$990
	VALDEZ JR, ALEX	\$2,660
Training Total		\$57,355
CUSTOMER SERVICE	ANZO JR, GEORGE	\$2,133
	ARBIS, JAMES	\$9,852
	CHAMPANERI, R	\$7,602
	DAY, MICHELE	\$8,940
	HAWK, DANIEL	\$2,273
	KELLEY, VELESSATA	\$156
	LOPEZ, CRISTIAN	\$49
	PARMELEE, KENNETH	\$8,969
	TRAVERSO, SAMANTHA	\$17,968
		VALDEZ JR, ALEX
Customer Service Total		\$60,488
		\$1,102,247

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures
FY 2016 Operating Expense Expenditures Detail

Activity Description	Category	Vendor Name	Operating Expense Total
APPEAL PROCESS	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$447
		VELESSATA M KELLEY	\$1,067
	Consultant and Professional Services - Interdepartmental	DEPT OF GENERAL SERVICES	\$160
Appeal process Total			\$1,674
APPLICATION REVIEW	Communications	VERIZON WIRELESS	\$508
	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$20
		BINDU KANNAN	\$118
		CRISTIAN LOPEZ	\$147
		GEORGE ANZO JR	\$721
		MATTHEW DEMELO	\$1,175
		MICHELE M DAY	\$1,383
Application Review Total			\$4,071
PROGRAM ADMINISTRATION	General Expense	AMAZON.COM	\$203
		DEPT OF GENERAL SERVICES	\$134
		EXPRESS OFFICE PRODUCTS INC	\$269
		LASER RECHARGE	\$90
		MICRODYNAMICS INSTRUMENTATION	\$92
		THE GREEN OFFICE INC	\$126
	Communications	VERIZON WIRELESS	\$2,163
		(blank)	\$121
	Travel: In-State	ALEX VALDEZ JR	\$4,140
		AMERICAN EXPRESS	\$512
		AMEX-AIRLINE BTA AMERICAN EXPRESS	\$3,708
NENA T VUONG		\$155	
R L CHAMPANERI		\$777	
Special Adjustments	(blank)	\$296	
Program Administration Total			\$13,058
VIOLATIONS & CITATIONS ENFORCEMENT	Communications	VERIZON WIRELESS	\$1,413
	Travel: In-State	BINDU KANNAN	\$201
Violation & Citations Enforcement Total			\$1,613
SURVEYING- FIELD INSPECTIONS	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$10
Surveying-Field inspections Total			\$10
TRAINING	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$647
		CRISTIAN LOPEZ	\$819
		JAMES R ARBIS	\$819
Training Total			\$2,285
CUSTOMER SERVICE	Travel: In-State	AMERICAN EXPRESS	\$50
		AMEX-AIRLINE BTA AMERICAN EXPRESS	\$430
Customer service Total			\$480
Grand total			\$23,191

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2017 Personal Services Expenditures Detail

Activity Description	Employee Name	Personal Service Total
APPEAL PROCESS	HALLENBECK, THOMAS	\$293
	GREER, JAMIE	\$45
	HOLBROOK, ERIN	\$2,659
	HALLENBECK, THOMAS	\$880
	ANZO JR, GEORGE	\$17,708
	ARBIS, JAMES	\$12,959
	CHAMPANERI, R	\$529
	DAY, MICHELE	\$4,134
	KANNAN, BINDU	\$7,636
	KELLEY, VELESSATA	\$8,054
	PARMELEE, KENNETH	\$378
	TRAVERSO, SAMANTHA	\$25,109
	VALDEZ JR, ALEX	\$126
	ZAMORA, KIA-MARIA	\$604
Appeal Process Total		\$77,237
APPLICATION REVIEW	BARKHODAEI, PIROUZ	\$2,766
	ORTEGA, ISAAC	\$4,200
	ANZO JR, GEORGE	\$29,390
	ARBIS, JAMES	\$12,871
	CHAMPANERI, R	\$62,840
	DAY, MICHELE	\$35,868
	DEMELO, MATTHEW	\$6,407
	KANNAN, BINDU	\$23,566
	MILLER, DANIEL	\$16,218
	PARMELEE, KENNETH	\$26,987
	VALDEZ JR, ALEX	\$50,614
ZAMORA, KIA-MARIA	\$34,663	
Application Review Total		\$299,424
PROGRAM ADMINISTRATION	SHAPOUR, YOUSSEF	\$603
	NICKS, RICKY	\$0
	ARNERICH, GERALD	\$199
	KHOSRAVI, AHMAD	\$3,176
	ANZO JR, GEORGE	\$15,796
	ARBIS, JAMES	\$71,737
	CHAMPANERI, R	\$16,698
	DAY, MICHELE	\$15,614
	DEMELO, MATTHEW	\$343
	HAWK, DANIEL	\$7,134
	KANNAN, BINDU	\$13,554
	KELLEY, VELESSATA	\$69,626
	MILLER, DANIEL	\$424
	PARMELEE, KENNETH	\$56,078
	TRAVERSO, SAMANTHA	\$41,740
VALDEZ JR, ALEX	\$13,028	
ZAMORA, KIA-MARIA	\$13,400	
Program Administration Total		\$335,171
	ANZO JR, GEORGE	\$21,814
	ARBIS, JAMES	\$3,194

Activity Description	Employee Name	Personal Service Total
VIOLATIONS & CITATIONS ENFORCEMENT	CHAMPANERI, R	\$15,020
	DAY, MICHELE	\$6,762
	DEMELO, MATTHEW	\$2,288
	KANNAN, BINDU	\$15,662
	VALDEZ JR, ALEX	\$42,593
	ZAMORA, KIA-MARIA	\$2,071
Violation & Citations Enforcement Total		\$109,403
PERMIT SYSTEM	ANZO JR, GEORGE	\$3,175
	ARBIS, JAMES	\$8,376
	CHAMPANERI, R	\$414
	DAY, MICHELE	\$5,343
	KANNAN, BINDU	\$554
	KELLEY, VELESSATA	\$1,519
	PARMELEE, KENNETH	\$3,680
	TRAVERSO, SAMANTHA	\$3,195
	VALDEZ JR, ALEX	\$1,164
ZAMORA, KIA-MARIA	\$1,786	
Permit System Total		\$29,205
SURVEYING- FIELD INSPECTIONS	ANZO JR, GEORGE	\$2,251
	ARBIS, JAMES	\$8,337
	CHAMPANERI, R	\$3,768
	DAY, MICHELE	\$19,729
	DEMELO, MATTHEW	\$5,263
	KANNAN, BINDU	\$26,476
	KELLEY, VELESSATA	\$0
	ZAMORA, KIA-MARIA	\$721
Surveying-Field inspections Total		\$66,544
TRAINING	ANZO JR, GEORGE	\$3,465
	ARBIS, JAMES	\$3,350
	CHAMPANERI, R	\$69
	DAY, MICHELE	\$3,280
	HAWK, DANIEL	\$148
	KANNAN, BINDU	\$2,561
	MILLER, DANIEL	\$8,690
	VALDEZ JR, ALEX	\$247
	ZAMORA, KIA-MARIA	\$3,956
	KENYON, GARY	\$1,099
Training Total		\$25,766
CUSTOMER SERVICE	ANZO JR, GEORGE	\$4,664
	ARBIS, JAMES	\$7,463
	CHAMPANERI, R	\$6,723
	DAY, MICHELE	\$11,860
	HAWK, DANIEL	\$297
	PARMELEE, KENNETH	\$15,338
	TRAVERSO, SAMANTHA	\$41,089
	VALDEZ JR, ALEX	\$6,084
ZAMORA, KIA-MARIA	\$1,330	
Customer Service Total		\$94,847
Grand Total		\$1,037,597

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.

Traffic Operations Outdoor Advertising Program Expenditures

FY 2017 Operating Expense Expenditures Detail

Activity Description	Category	Vendor Name	Operating expense Total
APPEAL PROCESS	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$512
		CITIGROUP dba CITIBANK	\$752
		ERIN E HOLBROOK	\$309
		GEORGE ANZO JR	\$59
		JAMES R ARBIS	\$1,020
	VELESSATA M KELLEY	\$98	
	Consultant and Professional Services - Interdepartmental	DEPT OF GENERAL SERVICES	\$13,817
Appeal Process Total			\$16,258
APPLICATION REVIEW	Communications	VERIZON WIRELESS	\$596
	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$10
		CITIGROUP dba CITIBANK	\$5
		DANIEL K MILLER	\$156
		GEORGE ANZO JR	\$3,343
		KIA-MARIA ZAMORA	\$158
MICHELE M DAY	\$1,228		
Other Items of Expense	GIBBS INTERNATIONAL TRUCKS INC (blank)	\$21 (\$21)	
Application Review Total			\$5,496
PROGRAM ADMINISTRATION	General Expense	AMAZON.COM	\$130
		BEST BUY	\$2,654
		BESTBUY.COM	\$276
		BURKETT'S OFFICE SUPPLIES INC	\$592
		EXPRESS OFFICE PRODUCTS INC	\$61
		FOCUS CAMERA LLC	\$4,917
		MICRODYNAMICS INSTRUMENTATION	\$24
		STAPLES INC	\$80
	WALMART	\$102	
	Communications	VERIZON WIRELESS	\$2,972
	Travel: In-State	ALEX VALDEZ JR	\$4,286
		AMERICAN EXPRESS	\$257
		AMEX-AIRLINE BTA AMERICAN EXPRESS	\$650
		BINDU KANNAN	\$119
		CITIGROUP dba CITIBANK	\$2,871
		R L CHAMPANERI	\$1,063
Equipment	SAMANTHA E TRAVERSO	\$417	
	VELESSATA M KELLEY	\$290	
Other Items of Expense	NWN CORPORATION	\$392	
	ABLE TIRE & BRAKE INC	\$4	
	DIABLO VALLEY BILL'S TIRE SERVICE INC	\$0	
	HOSE & FITTINGS ETC	\$22	
ROAD MACHINERY LLC	\$0		
Program Administration Total			\$22,178
VIOLATIONS & CITATIONS ENFORCEMENT	Communications	VERIZON WIRELESS	\$1,014
	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$146
		BINDU KANNAN	\$23
		CITIGROUP dba CITIBANK	\$187
Violation & Citations Enforcement Total			\$1,370
PERMIT SYSTEM	Consultant (External)	FISK HILL COMPANY INC	\$0
		KPMG LLP	\$28,000
	Information Technology	NWN CORPORATION	\$240,355
Permit System Total			\$268,355
SURVEYING- FIELD INSPECTIONS	Travel: In-State	BINDU KANNAN	\$797

Activity Description	Category	Vendor Name	Operating expense Total
Surveying-Field inspections Total			\$797
TRAINING	Travel: In-State	AMEX-AIRLINE BTA AMERICAN EXPRESS	\$152
		CITIGROUP dba CITIBANK	\$7
		DULCE R FELDMAN	\$485
Training Total			\$159
Grand Total			\$314,612

*Data Resource: Caltrans Accounting Advance Management System Enterprise DataLink System.

*Total amount not included Strikethrough items amount.



2017 Annual Meeting PSA Committee Report
October 9, 2017
Presented by: Stacy Miller Public Affairs

2017 CHANGES TO PSA PROGRAM

1. Sign Language Vinyl Rate Increase

- There will be an increase to CSOAA's pricing starting 01/01/2018. There hasn't been a price increase to our account in 7 years.

Current Pricing thru 12/31/17			New Pricing as of 1/1/18		
Type of Billboard	Size	Cost to Print	Type of Billboard	Size	Cost to Print
Bulletin	14 x 48	248.64	Bulletin	14 x 48	\$282.24
Poster	12 x 24	75.00	Poster	12 x 24	75.00
Jr. Poster	6 x 12	85.00	Jr. Poster	6 x 12	85.00
Shelter	4 x 6	75.00	Shelter	4 x 6	75.00

2017 POTENTIAL CHANGES TO PSA PROGRAM

2. Proposed New Reimbursement Rates

- PSA Committee recommends setting reimbursement rates for all size boards, per the following rate structure:

Type of Billboard	Reimbursement Rate
Poster	\$200
Jr. Poster	\$150
Shelter	\$50

3. Rate Structure discussion

a. Current Rate Structure for Qualifying Non-profits?

Type of Billboard	Size	Current Cost/Board	Proposed Cost/Board
Bulletin	14 x 48	\$1,400	?
Poster	12 x 24	\$500	?
Jr. Poster	6 x 12	\$350	?
Shelter	4 x 6	\$300	

2017 PSA PROGRAM SUMMARY:

Total Campaigns	Total Boards Committed	Current Campaigns Running
7	335	EQCA - Resist Hate ERA - Equal Pay



Stacy Miller

PUBLIC AFFAIRS INC.

Summary of CSOAA PSA Campaigns 2017

National Health Law Program (NHelp)

1st Qtr. 2016 – 1st Qtr. 2017

200 - 12x24 Posters

59 - 14x48

VOTO Latino (Voto)

2nd Qtr. 2016 – 1st Qtr. 2017

125 - 14x48

Addario Lung Cancer Foundation (ALCF)

1st Qtr. 2017

4 - 14x48

JBS International Family Youth Services Bureau (FYSB)

1st Qtr. 2017

12 - Shelters

Horton- California Education Solution (CES)

2nd Qtr. 2017

17 - 14x48

10 - Posters

Equal Rights Advocates (ERA)

4th Qtr. 2016 – 3rd Qtr. 2017

125 - 14x48

Equality California (EQCA)

1st Qtr. 2017 – 1st Qtr. 2018

100 - 14x48

40 - Posters

UPCOMING CAMPAIGNS 2017/18

Climate Change - Catholic Charities

- 150 14x48
- 50 - Posters
- 4th Qtr. 2017 - 4th Qtr. 2018

CCALA - Sen. Holly Mitchell

- 2 - 14x48
- 4th Qtr. 2017

CA Charter Schools Assn

- \$50,000 - Mix of boards
- TBD

Privileged & Confidential:
Attorney-Client Communication
Attorney Work Product

On July 24, 2015, the American Beverage Association (“ABA”), California Retailers Association (“CRA”), and CSOAA (collectively “Plaintiffs”) filed a lawsuit against the City of San Francisco, alleging that a San Francisco Ordinance that required Plaintiffs to include a health warning on sugar-sweetened beverage (“SSB”) ads violated their First Amendment rights. The ordinance would, in part, require the warning to be placed on all outdoor advertising in San Francisco. Plaintiffs asked the district court to preliminarily enjoin enforcement of the Ordinance, pending a final determination of its constitutionality. On May 17, 2016, the district court denied our motion for a preliminary injunction, concluding that Plaintiffs were unlikely to prevail on their First Amendment Claims. The court found that San Francisco’s Ordinance required Plaintiffs to convey a fact, as opposed to an opinion, and that the Warning was not misleading. The court, however, enjoined enforcement of the Ordinance pending any appeal by Plaintiffs.

Plaintiffs thereafter appealed the district court’s ruling to the United States Court of Appeals for the Ninth Circuit (“Ninth Circuit”). Gibson Dunn submitted opening and reply briefs on behalf of CSOAA, arguing that San Francisco’s warning requirement violated CSOAA’s members’ First Amendment rights by forcing them to include a warning on their advertisements that they would prefer not to provide. San Francisco in response filed a brief arguing that its warning requirement is constitutional because it only requires Plaintiffs to convey factual and accurate information. The Ninth Circuit held oral argument on April 17, 2017.

On September 19, 2017, the Ninth Circuit reversed the district court’s decision that upheld the ordinance as conveying purely factual information. The panel concluded that the Ordinance was unconstitutional because it was not purely factual and uncontroversial, but instead conveyed to consumers that there is something “inherently” harmful about SSBs, which is contrary to the FDA’s conclusions that such beverages are safe when consumed in moderation. The panel also concluded the warning, which would have covered 20% of any outdoor advertisement, was unduly burdensome.

San Francisco is currently considering whether to file a petition for panel or en banc rehearing, which would be due no later than October 17, 2017. If enough non-panel judges vote

to rehear the case, it will be re-decided en banc (*i.e.*, by a larger group of Judges), though rehearing is not commonly granted. This voting process could take weeks or months. If San Francisco does file a petition, Plaintiffs will have an opportunity to file an answering brief defending the panel's decision and arguing that rehearing is unnecessary. If San Francisco does not file a petition, the case will return to the district court for a final resolution on the merits, although it is possible that the City may stop defending the lawsuit because it is unlikely to prevail given the Ninth Circuit's ruling.

But the bottom line is that right now and for the foreseeable future San Francisco is enjoined from enforcing the Ordinance and CSOAA's members are not required to put the warning on any advertisements in the city.

**CSOAA Legislative Update
October 9, 2017**

The California Legislature adjourned on September 15, 2017. October 15, 2017 will mark the end of the Governor's bill signing period for legislation that reached his desk during the 2017 Legislative Session.

Both the State Senate and State Assembly are currently on the fall recess in between the two-year legislative session and are scheduled to reconvene on Wednesday, January 3, 2018 to begin the 2018 Legislative year.

During the 2017 Legislative Session, legislators sent 998 measures to the Governor's desk which represents a similar volume when compared to previous years. Generally, approximately 1,000 bills reach the Governor's Desk. Historically, his signature rate has been around 85%. As of the first week in October the veto rate has been 4.6%, but we expect the veto rate to grow significantly as the Governor acts on the more controversial remaining pieces of legislation between now and October 15, 2017.

Upcoming Legislative Dates of Interest

October 15, 2017 - Deadline for Governor Brown to sign bills passed during the 2017 Legislative Session.

December 5, 2017 - Special General Election in California's 51st Assembly District Wendy Carillo (D) vs. Luis Lopez (D) – this is a race to fill the vacant Assembly seat that was previously held by now-Congressman Jimmy Gomez (D-Los Angeles).

January 3, 2018 - Legislature reconvenes following winter holiday.

This Legislative Session there were several bills of interest to CSOAA. These bills were the subject of much discussion by the Legislative Committee and the CSOAA Board of Directors. A list of bills tracked by the Association follows, and a recap summary of the Association's most closely-watched "HOT" issues is provided below. (See attached bill tracking list for extensive list)

EXEMPTIONS TO THE STATE OUTDOOR ADVERTISING ACT

There were several pieces of legislation that the CSOAA opposed this session that all dealt with specific exemptions to the act. CSOAA has argued that the regulatory structure that governs our member businesses is complex, and must consider federal, state and local considerations. Furthermore, CSOAA argued that one-off proposals create an uneven playing field for those outdoor companies that have worked with federal, state and local authorities to maintain lawfully permitted displays.

A majority of the exemptions to the State Outdoor Advertising Act included some change to the current landscaped freeway provision of the Act. Initially when California adopted the Act, it dealt primarily with safety issues and only regulated unincorporated areas. However, after World War II the State became much more concerned about aesthetic issues in its highway program. *(See attached summary on the Landscaped Freeway provisions of the Act)*

As a result, a number of one-off exemptions have been introduced in the legislature, including SB 405, SB 744 and SB 459 this year. None of the bills were successful in advancing through the complete process. However, each will be eligible to move again in January, as this year represented only the first year in a two-year legislative session.

SB 405 (Mendoza) – Outdoor advertising displays: exemptions: City of Artesia.

Status: 7/14/17 - Failed Deadline pursuant to Rule 61. Currently in Assembly Governmental Organization Committee. ***May be acted upon in January 2018.***

Bill Summary: Would exempt from the Outdoor Advertising Act advertising displays located in specific geographic areas in the City of Artesia if those displays meet specified conditions and requirements, including authorization by, or accordance with, an ordinance by the City of Artesia, as specified. The bill would impose certain conditions if an advertising display authorized by this bill is a message center display.

Background: SB 405 would allow the City of Artesia to take jurisdiction of outdoor advertising along an Interstate Freeway in violation of State law, Federal Law and the State's Compact with the Federal Government on Outdoor Advertising Control. The City has not applied for a permit under existing law, this bill seeks to carve out a section of its City from State and Federal outdoor advertising control. (See attached opposition letter to the Assembly Governmental Organization committee)

After advancing out of the State Senate, SB 405 stalled in the Assembly Governmental Organization Committee after committee leadership determined the Assembly needed to take a larger look at exemptions to the State's Outdoor Advertising Act and what the policy of the committee should be when it comes to changes to the act.

Assembly Governmental Organization Committee Chairman Adam Gray (D – Merced) and the policy committee have asked the CSOAA members to consider conditions that could allow the committee to craft a uniform policy so that the committee is not faced with picking winners and losers among California communities as individual legislative proposals come forward.

SB 744 (Hueso) - Outdoor advertising: exemption.

Status: 7/14/17 – Failed Deadline pursuant to Rule 61. Current in Assembly Governmental

Organization Committee. **May be acted upon in January 2018.**

Bill Summary: 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 certain of its provisions advertising displays that advertise the business conducted or services rendered or goods produced or sold on the property upon which the display is placed, as specified. This bill would exempt from those provisions of the act 3 advertising displays located within 1,800 feet of the intersection of Interstate 8 and State Highway Route 111 in the County of Imperial if certain conditions are met.

Background: During the Assembly Governmental Organization Committee hearing where Senator Hueso presented SB 744, he did not have any witnesses express support. CSOAA and the State Building Trades testified in opposition. There was a lengthy discussion with members of the committee. Hueso attempted to introduce a new concept to limit the bill to one sign instead of three. The chair was unwilling to have the committee take a vote on that concept since the committee did not have the language. There was not a motion and second to vote on the bill in print. Instead the chair and the vice chair committed to an informational hearing to attempt to address the specific issues in Senator Hueso's bill and other outdoor advertising exemptions "more globally." (See attached opposition letter to the Assembly Governmental Organization committee)

During the debate on SB 744 members of the committee also raised questions about SB 405 (Mendoza) (see above summary) and whether it too should be considered as part of an informational hearing or larger global solution for exemptions to the State's Outdoor Advertising Act.

SB 459 (Portantino) - Outdoor advertising displays: City of Upland.

Status: 4/28/17 – Failed Deadline pursuant to Rule 61. Last Location was Senate Transportation and Housing Committee. **May be acted upon in January 2018.**

Bill Summary: The Outdoor Advertising Act prohibits advertising displays from being placed or maintained on property adjacent to a section of a freeway that has been landscaped, with certain exceptions. A violation of the act is a misdemeanor. This bill would authorize the use of 2 existing advertising displays in the City of Upland adjacent to Interstate 210 if specified conditions are met. Because a violation of the bill's provisions would be a crime, the bill would impose a state-mandated local program.

Background: The bill is being sponsored by the City of Upland who approached the Senator shortly after his election. After discussion with the author's office, Senator Portantino elected to hold the bill as a two-year bill based on some controversy surrounding the property proposed for the exemption. While the bill was never taken up in Senate Transportation and

Housing, based on what takes place with the exemption bills that have already advanced out of the Senate and are in the Assembly, Senator Portantino may elect to move the bill in January.

PROPOSED INGLEWOOD EXEMPTION

Status: Provisions relating to Outdoor Advertising Exemption have not yet been put in print. The proponents represent WOW Media, a company that has entered in to a Memorandum of Understanding with the City of Inglewood. Legislation may still be introduced to address the issue and CSOAA has seen a previous version proposed language. ***A bill could appear in print in January.*** A summary is below:

Proposed Inglewood Exemption (aka, B&P 5442.14)

- a) exempts proposed displays from landscaped provisions (section 5440)
 - 1) must be in City,
Display must be owned by City.
Display can be placed in right of way of a highway (exempted from 5403(a))
 - 2) Adjacent to 405 or 105
 - 3) Up to four displays allowed
 - 4) Meets size, height requirements except that border/trim allows City, Stadium, or Team.
 - 5) Caltrans to expedite VIRs/removal encroachment permits — City to provide “replacements” elsewhere in City.
 - 6) City can spend money for any “municipal purposes”
 - 7) Displays to be at least 500’ apart (probably in-artfully drafted section to avoided the 1000’ spacing for CMS signs).
 - 8) No advertising for tobacco, firearms, or sexually explicit material
 - 9) Available on “space-available basis” for Caltrans and CHP
 - 10) Includes section requiring pre-construction confirmation of federal compliance
 - 11) City to have primary authority to determine conformance with state/federal law.

Background: The potential exemption bill for Inglewood that we have previously discussed is still circulating in the legislature. While the bill was never introduced in the 2017 legislative session, we expect it could be the subject of a bill in 2018 or possibly an issue that is dealt with administratively through Caltrans this fall. We expect proponents of the Inglewood bill to push either Senator Bradford or Assemblywoman Burke to introduce or advocate for such a bill. We continue to monitor and the members are aware of the Association’s concerns about the status of exemptions to the State’s Outdoor Advertising Act.

CHANGEABLE MESSAGE SIGNS

AB 1405 (Mullin) – Advanced Digital Network Act.

Status: 9/11/2017 - Read second time. Ordered to third reading. Re-referred to Committee on Rules pursuant to Rules 29.10. ***May be acted upon in January 2018.***

Bill Summary: Would enact the Advanced Digital Network Act. The bill would authorize the Department of Transportation, subject to federal approval, to enter into a specified comprehensive development lease agreement pursuant to a best value competitive procurement process for a project with a public or private entity, or a consortium thereof, to install and operate a network of new digital signs within the rights-of-way of the state highway system that would display commercial advertising and public service messages.

Background: This measure was amended by the author on September 8, 2017. Previous versions of the bill dealt with energy, and thus previous committee hearings and votes were not on the subject matter now included in the bill. The bill was referred to the Committee on Rules on September 11th. CSOAA has been told by the legislative advocate for the proponents that they bill wanted it in print prior to the end of the 2017 Legislative Session so that it could be the subject of discussions through the fall. There are differences in the proposed legislation from the previous SB 1397 (Huff) from the 2015-2016 Legislative Session. Changes include different approaches to competitive bidding and federal approval. On Legislative Committee call on October 2, 2017, committee members determined a more in-depth discussion of the entire membership should take place at the annual meeting highlighting potential amendments to the bill. (Please see attached memo from Ron Beals outlining the content of the sections of the proposed bill.)

CANNABIS

CSOAA monitored several pieces of legislation related to cannabis that had impacts on outdoor advertising. Through the legislative process, those bills were either amended to remove provisions related to outdoor advertising, or they were held in the process by the fiscal committees and did not advance.

The Governor's office has also indicated that they are not adopting major changes to the current cannabis legal structure so that state agencies can work to meet the January 2, 2018 deadline. The Governor's office has signaled that they believe enacting new legislation will just interrupt the current regulatory agencies' work.

There has been one significant piece of cannabis related legislation that included provisions related to outdoor advertising signed this session. That was SB 94 – the Governor's cannabis trailer bill for the Budget Act of 2017 (See summary below).

The Bureau of Cannabis Control is expected to release emergency regulations this fall that will have only a five-day comment period. Much of what was passed in the budget trailer bill lacks definitions. Emergency regulations can be easy to adopt and difficult to change after the fact, and thus the CSOAA has elected to start a dialogue with the regulators prior to the regulations being released. (See attached letter to Bureau of Cannabis Control)

SB 94 (Committee on Budget) – Cannabis: medicinal and adult use.

Status: Chaptered 6/27/17. Approved by Governor. Chaptered by Secretary of State.

Bill Summary: The Medical Marijuana Program also provides immunity from arrest to those exempt patients or designated primary caregivers who engage in certain acts involving marijuana, up to certain limits, and who have identification cards issued pursuant to the program unless there is reasonable cause to believe that the information contained in the card is false or fraudulent, the card has been obtained by means of fraud, or the person is otherwise in violation of the law. This bill would require probable cause to believe that the information on the card is false or fraudulent, the card was obtained by fraud, or the person is otherwise in violation of the law to overcome immunity from arrest to patients and primary caregivers in possession of an identification card.

This bill has been signed in to law, and as a budget trailer, has taken effect upon signature. This bill is the cannabis trailer bill for the Budget Act of 2017. This bill establishes a single system of administration for cannabis laws in California. It contains changes related to the Budget Act of 2017 that are necessary for state licensing entities to implement a regulatory framework pursuant to the Medical Cannabis Regulation and Safety Act (MCRSA), established by AB 266 (Bonta, Chapter 689, Statutes of 2015), AB 243 (Wood, Chapter 688, Statutes of 2015), SB 643 (McGuire, Chapter 719, Statutes of 2015), and SB 837 (Committee on Budget and Fiscal Review, Chapter 32, Statutes of 2016), and the Adult Use of Marijuana Act (AUMA) of 2016 (Proposition 64). This bill conforms MCRSA and AUMA into a single system that prioritizing consumer safety, public safety and tax compliance. Among other things, the bill creates agricultural cooperatives, a method for collecting and remitting taxes, a process for testing and packaging, and a process for collecting data related to driving under the influence.

Background: SB 94 only adds one provision that is mandatory for Outdoor Advertising companies: no company can display an advertisement for a cannabis licensee without displaying the company’s license number. All parties in the marijuana business (retailers, growers, distributors, etc. will have licenses. There is no distinction between “medical” and “recreational” marijuana (Bus & Prof C sec 26151 (a)). The law does not have standards on the size or placement of the License number.

However, there is a more significant provision that applies only to licensees, but will certainly affect the outdoor advertising business. Licensees are prohibited from advertising on “billboard or similar advertising device” located on an Interstate Freeway or a state highway that crosses

the California border. Likewise, Licensees are prohibited from advertising within 1,000 feet of a school, day care center, playground, or youth center (Bus & Prof C sec 26152). As written, it appears the legal responsibility is on the Licensee to insure they only place advertisements on displays conforming to this provision.

These provisions certainly raise many legal and practical issues, and Regulations will be needed to implement them.

Excerpt from statute below:

SEC. 85. Section 26151 of the Business and Professions Code is amended to read:

26151. (a) (1) All advertisements and marketing shall accurately and legibly identify the licensee responsible for its content, by adding, at a minimum, the licensee's license number.

(3) An outdoor advertising company subject to the Outdoor Advertising Act (Chapter 2 (commencing with Section 5200) of Division 3) shall not display an advertisement by a licensee unless the advertisement displays the license number of the licensee.

SEC. 86. Section 26152 of the Business and Professions Code is amended to read:

26152. A licensee shall not do any of the following:

(d) Advertise or market on a billboard or similar advertising device located on an Interstate Highway or on a State Highway which crosses the California border.

(g) Advertise or market cannabis or cannabis products on an advertising sign within 1,000 feet of a day care center, school providing instruction in kindergarten or any grades 1 through 12, playground, or youth center.

BANKING IN THE CANNABIS INDUSTRY

On November 8, 2016 California voters passed Proposition 64, legalizing the use of recreational cannabis. However, the use, possession and sale of cannabis remains a federal crime. The federal government still considers marijuana a Schedule I drug under the Controlled Substances Act. As a result, banks and other financial institutions generally refuse to provide services to cannabis businesses.

As banking continues to be an issue for the cannabis industry, California State Treasurer John Chiang is convening a working group to find a banking solution. The working group, made up of

representatives from law enforcement, regulators, banks, taxing authorities, local government and the cannabis industry, is charged with finding practical and timely ways to address the state-federal conflict. To date the group has held several meetings throughout the State, but there have not been any policy solutions put in to place to solve the banking challenges.

Attached is a background piece created by the Treasurer's Cannabis Banking Working Group (CBWG) that outlines some of the issues associated with banking for the cannabis industry. (Please see attached CBWG factsheet).

CSOAA - Legislative Status Report 10/3/2017

AB 64

(Bonta D) Cannabis: licensure and regulation.

Current Text: Amended: 6/27/2017 [Text](#)

Last Amend: 6/27/2017

Status: 9/1/2017-In committee: Held under submission.

Location: 8/21/2017-S. APPR. SUSPENSE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Both MCRSA and AUMA generally divide responsibility for state licensure and regulation between the Bureau of Marijuana Control (bureau) within the Department of Consumer Affairs, which serves as the lead state agency, the Department of Food and Agriculture, and the State Department of Public Health. AUMA requires the licensing authorities to begin issuing licenses to engage in commercial adult-use cannabis activity by January 1, 2018. This bill, if SB 94 is enacted, would repeal that separate and distinct premises requirement. The bill would also prohibit a testing licensee under MAUCRSA from owning, or having an ownership interest in, a premises licensed under MAUCRSA for any activity except testing.

Position **Priority**
Watch HOT

Notes2: 8/24/2017 - NOTES ON AB 64: This bill is currently on the Senate Suspense file. On September 1st, the bill will either advance or be held in committee. However, the amendments made on June 27, 2017 remove the provisions in the bill related to restricting advertising of cannabis. Advertising issues were dealt with in SB 94 – the administration’s budget trailer bill. In discussions with Assemblymember Bonta’s office, there is no interest in revisiting the advertising restrictions previously contemplated in earlier versions of the bill, as they have been made aware of constitutional issues and are not looking to have issues in the bill that would make it a candidate for a veto should it reach the Governor’s desk.

According to the Authors’ offices, “AB 64 seeks to address a series of policy and technical changes that remain following the passage of SB 94 (Committee on Budget and Fiscal Review, Chapter 27, Statutes of 2017). Each of these issues are of critical importance to stakeholders in the cannabis space, from local governments, law enforcement, public health advocates, and the medical and adult use cannabis industry. These include preserving intellectual property, clarifying the role of technology platforms in delivery, preserving the integrity of testing laboratories, clarifying that co-location is allowed, requiring retailers, microbusinesses, and non-profits to inform consumers of new ‘Open Container’ laws, requiring the destruction of all cannabis and products after testing, not just medicinal cannabis and products, facilitating corporate restructuring, and technical cleanup.”

This bill has remained on the CSOAA list for monitoring and informational purposes.

4/18/2017 - Asm. Business and Professions committee - Do pass and be re-referred to the Committee on Appropriations
Ayes: Arambula, Baker, Bloom, Caballero, Cunningham, Dahle, Gipson, Gloria, Grayson, Holden, Irwin, Low, Steinorth, Ting
Noes: 0
Abstains/Absent: Brough, Chiu

REGISTERED SUPPORT: None on file.
REGISTERED OPPOSITION: None on file.

3/17/17 - Per Leg Committee call on 3/16 - monitor closely. Trailer bill language expected from the Governor's office in the next two weeks which may lead to amendments. Bill has NOT yet been referred to committee due to jurisdictional fights between policy committees. Referrals may start next week.

AB 110

(Ting D) Cannabis: medicinal and adult use.

Current Text: Amended: 6/12/2017 [Text](#)

Last Amend: 6/12/2017

Status: 7/20/2017-Ordered to inactive file at the request of Senator Mitchell.

Location: 7/20/2017-S. INACTIVE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: The Medical Marijuana Program also provides immunity from arrest to those exempt patients or designated primary caregivers who engage in certain acts involving marijuana, up to

certain limits, and who have identification cards issued pursuant to the program unless there is reasonable cause to believe that the information contained in the card is false or fraudulent, the card has been obtained by means of fraud, or the person is otherwise in violation of the law. Under existing law, a person who steals, fraudulently uses, or commits other prohibited acts with respect to those identification cards is subject to criminal penalties. This bill would require probable cause to believe that the information on the card is false or fraudulent, the card was obtained by fraud, or the person is otherwise in violation of the law to overcome immunity from arrest to patients and primary caregivers in possession of an identification card.

Position **Priority**
 Pending

Notes2: 2/24/2017 - NOTES ON AB 110: This bill is currently on the inactive file. The companion budget trailer bill SB 94 has been enacted.

This bill additionally would prohibit a technology platform or an outdoor advertising company from displaying an advertisement from a licensee on an Internet Web page unless the advertisement displays the licensee's license number.

AB 408

(Chen R) Eminent domain: final offer of compensation.

Current Text: Introduced: 2/9/2017 [Text](#)

Status: 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was JUD. on 2/21/2017) (May be acted upon Jan 2018)

Location: 5/12/2017-A. 2 YEAR

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law governing settlement offers in eminent domain proceedings authorizes the recovery of litigation expenses under certain circumstances. This bill would provide that if a court finds, on motion of the defendant, that the offer of the plaintiff was lower than 90% of the compensation awarded in the proceeding, then the court would be required to include the defendant's litigation costs in the costs allowed. If the court finds that the offer of the plaintiff was at least 90% and less than 100% of the compensation awarded in the proceeding, the court would be authorized to include the defendant's litigation costs in the costs allowed.

Position **Priority**
 Watch-Low

Notes2: 3/17/17 - Per Leg Committee call on 3/16 - low priority - Monitor. Author is freshman republican. Author's office has indicated recognition that this proposal had an uphill fight. Bill has been set for hearing and pulled once. Author has received significant opposition from locals. Current law provides that in Eminent Domain trials, the landowner (or billboard owner) can obtain his litigation expenses (basically attorney and appraiser costs) if the Final Offer is viewed as unreasonable compared to the Landowner's offer and the Final Judgment. This bill would change that standard so litigation costs would be payable if the Final Offer was not at least 90% of the Judgment (regardless of the Property Owners' Final Demand). This would occasionally affect individual industry members, but probably not to the extent that direct CSOAA involvement would be warranted.

AB 420

(Wood D) Personal income tax: deduction: commercial cannabis activity.

Current Text: Amended: 7/19/2017 [Text](#)

Last Amend: 7/19/2017

Status: 9/1/2017-In committee: Held under submission.

Location: 8/21/2017-S. APPR. SUSPENSE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, for each taxable year beginning on and after January 1, 2018, would specifically provide in the Personal Income Tax Law for nonconformity to that federal law disallowing a deduction or credit for business expenses of a trade or business whose activities consist of trafficking specified controlled substances, only for commercial cannabis activity, as defined, authorized under MAUCRSA, thus allowing deduction of business expenses for a cannabis or marijuana trade or business under the Personal Income Tax Law, as provided.

Position **Priority**
 Watch HOT

Notes2: 8/24/2017 - NOTES ON AB 420: This bill is currently on the Senate Suspense file. On September 1st, the bill will either advance or be held in committee. Previous versions of this bill would have required that any advertisement include the license number of the MCRSA or AUMA licensee responsible for its content. Those provisions were stricken from bill in the June 13th amendments. This bill has remained on the list for informational purposes.

on Appropriations

Ayes: Arambula, Baker, Bloom, Caballero, Chiu, Cunningham, Dahle, Gipson, Gloria, Grayson, Holden, Irwin, Low, Steinorth, Ting

Noes: 0

Abstains/Absent: Brough

REGISTERED SUPPORT: California Policy Chiefs Association, Inc., City of Santa Monica

REGISTERED OPPOSITION: None on file.

3/17/2017 - per CSOAA Leg Committee call on 3/16, This bill would mandate that any advertisement include the license number of the MCRSA or AUMA licensee responsible for its content. Unlike other legislation, this bill does not contemplate eliminating advertising, rather it takes the approach of including license number disclosure, seeking to ensure that those that are advertising are operating as licensed, legal operators in the State. This bill has not been referred to committee, and may earn a double referral because although it amends B&P code, there is speculation that GO committee also wants to see cannabis related bills, particularly those that deal with advertising.

AB 857 (Ting D) State highways: property leases.

Current Text: Enrolled: 9/13/2017 [Text](#)

Last Amend: 9/1/2017

Status: 9/20/2017-Enrolled and presented to the Governor at 4:30 p.m.

Location: 9/20/2017-A. ENROLLED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law authorizes the Department of Transportation to lease certain property, including the area above or below a state highway, and certain property. This bill would revise the provisions governing leases of department property in the City and County of San Francisco under these financial terms to require that a lease be offered on a right of first refusal by the department to the city and county or a political subdivision of the city and county and would also authorize leases of property for park, recreational, or open-space purposes, subject to certain additional terms and conditions, including a requirement for the department to lease property located within a priority development area, as defined, to the city and county for up to 10 parcels, at a specified below market value lease amount, and a requirement, applicable to all leases, for the lessee to be responsible for all associated maintenance costs.

Position **Priority**
Watch for
Amendments

Notes2: 3/17/2017 - per CSOAA Leg Committee call on 3/16, Watch for amendments.

AB 965 (Kiley R) Department of Transportation: civil liability.

Current Text: Amended: 4/17/2017 [Text](#)

Last Amend: 4/17/2017

Status: 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was JUD. on 4/17/2017) (May be acted upon Jan 2018)

Location: 4/28/2017-A. 2 YEAR

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would provide that, in an action against the Department of Transportation for personal injury, property damage, or wrongful death, based upon principles of comparative fault, the liability of the department for economic damages shall be several only and shall not be joint. The bill would further provide that the department shall be liable in those actions only for the amount of economic damages allocated to it in direct proportion to its percentage of fault, and would require a separate judgment to be rendered against the department for that amount.

Position **Priority**
Watch-Low

Notes2: 3/17/2017 - per CSOAA Leg Committee call on 3/16, Per Ron Beals This is Caltrans' annual attempt to limit the amount of compensation it has to pay in Tort matters. The bill is authored by a freshman Republican. Currently the author's office does not have any registered support listed.

AB 1143 (Gray D) Outdoor advertising: prohibitions.

Current Text: Introduced: 2/17/2017 [Text](#)

Status: 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was G.O. on 3/27/2017) (May be acted upon Jan 2018)

Location: 4/28/2017-A. 2 YEAR

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Outdoor Advertising Act regulates placement of advertising signs adjacent to and within specified distances of certain highways. The act prohibits advertising displays from being placed or maintained on property adjacent to a section of a freeway that has been landscaped, with certain exceptions. The act prohibits these advertising displays from advertising products, goods, or services related to alcohol and tobacco, as specified. This bill would also prohibit these advertising displays from advertising marijuana. By creating a new crimes, the bill would impose a state-mandated local program.

Position **Priority**
 Watch HOT

Notes2: 8/24/2017 - NOTES ON AB 1143: This bill will not advance this session. It will be eligible for consideration when the legislature resumes in January 2018.

This bill is being authored by the Chairman of the GO committee staffed by the committee staff. Policy committees are currently making their respective cases to the Rules committee as to why they should have jurisdiction on bills related to cannabis. There are four specific exceptions to the Landscaped Freeway provisions in the code (Bus & Prof secs 5442.9, .10, .11 and .13: for a "city under 17,000," Oakland Coliseum, Mid-City LA, and an LA "Academy:"). Each of those have specific prohibitions on tobacco and alcohol advertising -- this bill would include marijuana advertising as well. Anticipate this bill may be amended once referred to policy committee. GO committee staff well versed in the master settlement agreement related to Tobacco and free speech considerations.

3/17/17 - Per CSOAA Leg call on 3/16 - This bill is being authored by the Chairman of the GO committee staffed by the committee staff. Policy committees are currently making their respective cases to the Rules committee as to why they should have jurisdiction on bills related to cannabis. There are four specific exceptions to the Landscaped Freeway provisions in the code (Bus & Prof secs 5442.9, .10, .11 and .13: for a "city under 17,000," Oakland Coliseum, Mid-City LA, and an LA "Academy:"). Each of those have specific prohibitions on tobacco and alcohol advertising -- this bill would include marijuana advertising as well. Anticipate this bill may be amended once referred to policy committee. GO committee staff well versed in the master settlement agreement related to Tobacco and free speech considerations.

AB 1405 (Mullin D) Advanced Digital Network Act.

Current Text: Amended: 9/8/2017 [Text](#)

Last Amend: 9/8/2017

Status: 9/11/2017-Read second time. Ordered to third reading. Re-referred to Com. on RLS. pursuant to Senate Rule 29.10(c).

Location: 9/11/2017-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the Advanced Digital Network Act. The bill would authorize the Department of Transportation, subject to federal approval, to enter into a specified comprehensive development lease agreement pursuant to a best value competitive procurement process for a project with a public or private entity, or a consortia thereof, to install and operate a network of new digital signs within the rights-of-way of the state highway system that would display commercial advertising and public service messages.

Position **Priority**
 Pending

AB 1633 (Frazier D) State highways: exit information signs.

Current Text: Chaptered: 7/31/2017 [Text](#)

Last Amend: 3/21/2017

Status: 7/31/2017-Approved by the Governor. Chaptered by Secretary of State - Chapter 158, Statutes of 2017.

Location: 7/31/2017-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the Department of Transportation to adopt rules and regulations that allow the placement, near exits on freeways in rural areas, of information signs identifying specific roadside businesses. Current law generally prohibits the placement of a sign within an urban area with a population of 5,000 or more, with certain exceptions. This bill would add to the list of specific roadside businesses eligible for an information sign under these provisions a business offering electric vehicle charging facilities.

Position **Priority**
 Pending

Current Text: Chaptered: 6/27/2017 [Text](#)

Last Amend: 6/9/2017

Status: 6/27/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 27, Statutes of 2017.

Location: 6/27/2017-S. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Medical Marijuana Program also provides immunity from arrest to those exempt patients or designated primary caregivers who engage in certain acts involving marijuana, up to certain limits, and who have identification cards issued pursuant to the program unless there is reasonable cause to believe that the information contained in the card is false or fraudulent, the card has been obtained by means of fraud, or the person is otherwise in violation of the law. This bill would require probable cause to believe that the information on the card is false or fraudulent, the card was obtained by fraud, or the person is otherwise in violation of the law to overcome immunity from arrest to patients and primary caregivers in possession of an identification card.

Position **Priority**
 Pending

Notes2: 8/24/2017 - NOTES ON SB 94: This bill has been signed in to law, and as a budget trailer, has taken effect upon signature. This bill is the cannabis trailer bill for the Budget Act of 2017. This bill establishes a single system of administration for cannabis laws in California. It contains changes related to the Budget Act of 2017 that are necessary for state licensing entities to implement a regulatory framework pursuant to the Medical Cannabis Regulation and Safety Act (MCRSA), established by AB 266 (Bonta, Chapter 689, Statutes of 2015), AB 243 (Wood, Chapter 688, Statutes of 2015), SB 643 (McGuire, Chapter 719, Statutes of 2015), and SB 837 (Committee on Budget and Fiscal Review, Chapter 32, Statutes of 2016), and the Adult Use of Marijuana Act (AUMA) of 2016 (Proposition 64). This bill conforms MCRSA and AUMA into a single system that prioritizing consumer safety, public safety and tax compliance. Among other things, the bill creates agricultural cooperatives, a method for collecting and remitting taxes, a process for testing and packaging, and a process for collecting data related to driving under the influence.

Specific to outdoor advertisers – this bill contains a requirement that a technology platform and outdoor advertising company ensure that a licensee include their license number on any advertisements. The goal of the provision is make sure that those that are advertising are licensed participants. (See sections: SEC. 84. Section 26150 of the Business and Professions Code and SEC. 85. Section 26151 of the Business and Professions Code in the new statute.)

Excerpt from statute below:

SEC. 85. Section 26151 of the Business and Professions Code is amended to read:

- 26151. (a) (1) All advertisements and marketing shall accurately and legibly identify the licensee responsible for its content, by adding, at a minimum, the licensee’s license number.
- (2) A technology platform shall not display an advertisement by a licensee on an Internet Web page unless the advertisement displays the license number of the licensee.
- (3) An outdoor advertising company subject to the Outdoor Advertising Act (Chapter 2 (commencing with Section 5200) of Division 3) shall not display an advertisement by a licensee unless the advertisement displays the license number of the licensee.
- (b) Any advertising or marketing placed in broadcast, cable, radio, print, and digital communications shall only be displayed where at least 71.6 percent of the audience is reasonably expected to be 21 years of age or older, as determined by reliable, up-to-date audience composition data.
- (c) Any advertising or marketing involving direct, individualized communication or dialogue controlled by the licensee shall utilize a method of age affirmation to verify that the recipient is 21 years of age or older before engaging in that communication or dialogue controlled by the licensee. For purposes of this section, that method of age affirmation may

This bill additionally would prohibit a technology platform or an outdoor advertising company from displaying an advertisement from a licensee on an Internet Web page unless the advertisement displays the licensee’s license number.

Last Amend: 5/3/2017

Status: 7/14/2017-Failed Deadline pursuant to Rule 61(a)(10). (Last location was G.O. on 6/1/2017)
(May be acted upon Jan 2018)

Location: 7/14/2017-A. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conc.				

Summary: Would exempt from the Outdoor Advertising Act advertising displays located in specific geographic areas in the City of Artesia if those displays meet specified conditions and requirements, including authorization by, or accordance with, an ordinance by the City of Artesia, as specified. The bill would impose certain conditions if an advertising display authorized by this bill is a message center display.

Position
Oppose

Priority
HOT

Notes2: 4/26/2017 - Sen Transportation and Housing 9-1-3 Do pass as amended, but first amend, and re-refer to the Committee on Appropriations

Ayes: Allen, Bates, Beall, Cannella, McGuire, Mendoza, Morrell, Skinner, Wiener

Noes: Gaines

No Votes Recorded: Atkins, Roth, Wieckowski

SUPPORT:

City of Artesia

OPPOSITION:

California State Outdoor Advertising Association

3/17/16 - Per discussion on CSOAA leg committee call on 3/16 - Senator Mendoza's staff indicates they are still waiting on language from counsel. This initially was intended to be an exemption for the City of Artesia. City of Artesia in years past has attempted unsuccessfully to decertify a section of landscaped freeway with Caltrans. Per conversation with the Senator's staff they may now be contemplating an expansion of the bill beyond the City of Artesia issue. Per direction from committee a meeting is being requested directly with the Senator to get more definitive information and express concerns related to the challenges with exemptions to the OAA.

SB 459

(Portantino D) Outdoor advertising displays: City of Upland.

Current Text: Amended: 4/17/2017 [Text](#)

Last Amend: 4/17/2017

Status: 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was T. & H. on 3/2/2017)
(May be acted upon Jan 2018)

Location: 4/28/2017-S. 2 YEAR

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conc.				

Summary: The Outdoor Advertising Act prohibits advertising displays from being placed or maintained on property adjacent to a section of a freeway that has been landscaped, with certain exceptions. A violation of the act is a misdemeanor. This bill would authorize the use of 2 existing advertising displays in the City of Upland adjacent to Interstate 210 if specified conditions are met. Because a violation of the bill's provisions would be a crime, the bill would impose a state-mandated local program.

Position
Oppose

Priority
HOT

Notes2: 3/17/16 - Per CSOAA Leg Committee call on 3/16 - The bill is being sponsored by the City of Upland who approached the Senator shortly after his election. Committee members had a lengthy discussion about the practice of exemptions. There was agreement that conversations should continue both about this bill specifically and a broader policy as well. This bill has been referred to Senate Transportation committee, but has not been set for a hearing as the committee still is grappling with their previously long held policy not to hear any exemption bills.

SB 744

(Hueso D) Outdoor advertising: exemption.

Current Text: Amended: 5/3/2017 [Text](#)

Last Amend: 5/3/2017

Status: 7/14/2017-Failed Deadline pursuant to Rule 61(a)(10). (Last location was G.O. on 7/5/2017)
(May be acted upon Jan 2018)

Location: 7/14/2017-A. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conc.				

Summary: 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 certain of its provisions advertising displays that advertise the business conducted or services

rendered or goods produced or sold on the property upon which the display is placed, as specified. This bill would exempt from those provisions of the act 3 advertising displays located within 1,800 feet of the intersection of Interstate 8 and State Highway Route 111 in the County of Imperial if certain conditions are met.

Position	Priority
Oppose	HOT

Notes2: 4/26/2017 - Sen Transportation and Housing 7 - 3 - 3 Do pass as amended, but first amend, and re-refer to the Committee on Appropriations

Ayes: Allen, Atkins, Beall, Cannella, Mendoza, Skinner, Wiener

Noes: Bates, Gaines, Morrell

No Votes Recorded: McGuire, Roth, Wieckowski

SUPPORT:

None received.

OPPOSITION:

California State Outdoor Advertising Association

Total Measures: 13

Total Tracking Forms: 13

TO: Meghan Loper
FROM: Ron Beals
RE: Landscaped Freeway Program History

California adopted the Outdoor Advertising Act in 1933 (now at Business and Professions Code section 5200 et. seq.) Initially, it dealt primarily with safety issues and only regulated unincorporated areas. However, after World War II the State became much more concerned about aesthetic issues in its highway program.

In 1951, the Landscaped Freeway provisions were added to the Outdoor Advertising Act, prohibiting billboards that were adjacent to landscaped freeways and requiring the uncompensated removals of billboards adjoining such areas when they were landscaped, after a three-year "amortization" period (now at Bus & Prof C. sec. 5440 et. seq.) While this initially had little direct impact, as most landscaping was in incorporated areas, the Highway Department adopted a policy that it would not landscape areas unless the affected City adopted ordinances prohibiting billboards along its landscaped freeways.

In 1967, California adopted the federal Highway Beautification Act standards, the Outdoor Advertising Act, including the Landscaped provisions, became applicable to all Interstate and Federal-aid highways, greatly expanding the impact of the Landscaped provisions. As the State commenced enforcing the new standards on a much broader area, litigation followed.

Some 200 separate cases were heard into a single consolidated action in 1975. The Court ruled that the basic law was constitutional, but the Department had to adopt comprehensive regulations before implementing it. The regulations were adopted in 1976 (now at Title 4 of the Code of Regulations, section 2500 et. seq.). In 1978, Federal law was amended to require monetary compensation for outdoor advertising display removals on federal-aid highways, and California passed similar provisions in 1982.

The regulations contain minimum length and planting standards, and allow an administrative process to declassify sections. In Caltrans last published report, 43% of declassification requests were granted. The State has spent millions of dollars to plant and maintain its Landscaped Freeways. There are hundreds of sections currently classified as landscaped.

In the 40 years since the adoption of the Landscaped Regulations, there have been extremely few legislative declassifications to allow billboards for sections that cannot be declassified (e. g., 5442.7, .8, .9, .10, .11, .13). In every case, a single exemption has resulted in a slew of new requests, and various legislative Committees have adopted rules that they would not hear individual requests.

Several have urged the parties to attempt to draft a more “global approach,” and several proposals have been examined:

1. Having Caltrans re-inspect all classified areas, some of which have not been reviewed since the 1970s, despite highways projects, droughts, and maintenance cut-backs in budget-stressed years.
2. Tighten the standards — currently, landscaping only has to be on one side of the freeway, doesn't even have to be primarily intended to be viewed by motorists, only one plant variety is sufficient (sections with no more than ivy on a fence are classified as landscaped); only 1000 feet of planting is required length-wise, with no minimum width.
3. Give local government discretion to determine if they want to follow the state landscaped freeway standards (this could be tied to some reimbursement for the state's planting cost and/or future landscaping maintenance.)
4. Limiting exceptions to government owned property that adjoins the freeway.

AMENDED IN SENATE MAY 3, 2017
AMENDED IN SENATE MARCH 28, 2017

SENATE BILL

No. 405

Introduced by Senator Mendoza

February 15, 2017

An act to add Section 5272.3 to the Business and Professions Code, relating to outdoor advertising.

LEGISLATIVE COUNSEL'S DIGEST

SB 405, as amended, Mendoza. Outdoor advertising displays: exemptions: City of Artesia.

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 certain of its provisions advertising displays that advertise the business conducted, services rendered, or goods produced or sold upon the property on which the display is placed, as specified. Existing law exempts from the act advertising displays located in specific geographic areas in the City of Los Angeles if those displays meet specified conditions and requirements, as specified.

This bill would exempt from the act advertising displays located in specific geographic areas in the City of Artesia if those displays meet specified conditions and requirements, including ~~the adoption of, and compliance~~ *authorization by, or accordance* with, an ordinance by the City of Artesia, as specified. The bill would impose certain conditions if an advertising display authorized by this bill is a message center display. *The bill would require the department to ensure that if the advertising display is lighted or a message center that it does not constitute a hazard to traffic.* The bill would require the department,

before the advertising display may be placed, to ~~determine~~ *determine*, or to request the Federal Highway Administration to ~~determine~~ *determine*, that the display will not cause a reduction in federal aid funds or otherwise be inconsistent with any federal law, regulation, or agreement between the state and a federal agency or department.

The bill would make the City of Artesia primarily responsible for ensuring that a display remains in conformance with the ordinance and the bill's requirements, and would require the city to indemnify and hold the department harmless if the city fails to do so.

This bill would make legislative findings and declarations as to the necessity of a special statute for the City of Artesia.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Section 5272.3 is added to the Business and
2 Professions Code, to read:

3 5272.3. (a) With the exception of Article 4 (commencing with
4 Section 5300) and Sections 5400 to 5404, inclusive, this chapter
5 does not apply to any advertising display located in the geographic
6 area in the City of Artesia adjacent to the eastbound lanes of State
7 Highway Route 91 and on the northernmost end of Roseton Avenue
8 at the end of the cul-de-sac, or to any advertising display located
9 in the geographic area in the City of Artesia adjacent to the
10 westbound lanes of, and westbound entrance onto, State Highway
11 Route 91 and approximately midway between Pioneer Boulevard
12 and Jersey Avenue, if all of the following conditions are met:

13 (1) The advertising display is authorized by, or in accordance
14 with, an ordinance, including, but not limited to, a specific plan
15 or sign district, adopted by the City of Artesia that regulates
16 advertising displays by identifying the specific displays or
17 establishing regulations that include, at a minimum, all of the
18 following:

- 19 (A) Number of signs and total signage area allowed.
- 20 (B) Maximum individual signage area.
- 21 (C) Minimum sign separation.
- 22 (D) Illumination restrictions and regulations, including signage
23 refresh rate, scrolling, and brightness.
- 24 (E) Illuminated sign hours of operation.

1 (2) The owner of the advertising display has submitted to the
2 department a copy of the ordinance adopted by the City of Artesia
3 authorizing the advertising display and identification of the
4 provisions of the ordinance required under paragraph (1) and the
5 department has certified that the ordinance meets the minimum
6 requirements contained in paragraph (1).

7 (3) The advertising display will not advertise products, goods,
8 or services related to tobacco, firearms, or sexually explicit
9 material.

10 (4) *The advertising display will only advertise products, goods,*
11 *services, or businesses that are made, sold, or located in the City*
12 *of Artesia.*

13 ~~(4)~~

14 (5) (A) Except as otherwise provided in subparagraph (B), there
15 shall be at least 500 feet between any two advertising displays
16 located on the same side of the freeway unless the advertising
17 displays are separated by buildings or other obstructions in a
18 manner that only one of the advertising displays is visible from
19 any given location on the freeway. For purposes of determining
20 compliance with the spacing requirement, the distance between
21 advertising displays shall be measured along the nearest edge of
22 pavement between points directly opposite the advertising displays
23 along each side of the freeway.

24 (B) The spacing requirement in subparagraph (A) does not apply
25 to an advertising display that advertises only the business
26 conducted, services rendered, or goods produced and sold ~~upon~~
27 *on the property* ~~upon~~ *on which the advertising display is located*
28 and that, accordingly, is not subject to the requirements of this
29 chapter.

30 (C) When counting the number of advertising displays and
31 measuring the distance between them for purposes of subparagraph
32 (A), the advertising displays described in subparagraph (B) shall
33 be excluded from the count, and no measurements shall be made
34 relative to the excluded advertising displays for purposes of
35 subparagraph (A).

36 ~~(5)~~

37 (6) This chapter does not limit the City of Artesia from adopting
38 ordinances prohibiting or further restricting the size, number, or
39 type of advertising displays permitted by this section.

1 (7) *The department shall ensure that an advertising display*
2 *established pursuant to this section that is lighted or a message*
3 *center does not constitute a hazard to traffic.*

4 ~~(6)~~

5 (8) If the advertising display is a message center, the owner of
6 the display shall do one of the following:

7 (A) Make the message center display available on a
8 space-available basis for use by the department or the Department
9 of the California Highway Patrol for public service messages,
10 including Emergency Alert System (Amber Alert) messages
11 disseminated pursuant to Section 8594 of the Government Code,
12 and messages containing, among other things, reports of commute
13 times, drunk driving awareness messages, reports of accidents of
14 a serious nature, and emergency disaster communications.

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

20 (C) Provide funding to the department for the installation of a
21 message center display to accommodate those public service
22 messages, which may include funding as part of mitigation in
23 connection with the approval of development of the property on
24 which the message center display is located by the City of Artesia.

25 (b) (1) Before the advertising display authorized pursuant to
26 subdivision (a) may be placed, the department shall determine that
27 the display will not cause a reduction in federal aid funds or
28 otherwise be inconsistent with any federal law, regulation, or
29 agreement between the state and a federal agency or department.

30 (2) If the department is unable to make the determination
31 required pursuant to paragraph (1), the department shall request
32 the Federal Highway Administration (FHWA) of the United States
33 Department of Transportation to make the determination. Upon
34 receipt of a determination by the FHWA that makes the finding
35 described in paragraph (1), the advertising display may be placed.

36 (c) The City of Artesia shall have primary responsibility for
37 ensuring that a display authorized pursuant to subdivision (a)
38 remains in conformance with all provisions of the ordinance and
39 of this section. If the City of Artesia fails to ensure that the display
40 remains in conformance with all provisions of the ordinance and

1 of this section after 30 days of receipt of a written notice from the
2 department, the City of Artesia shall hold the department harmless
3 and indemnify the department for all costs incurred by the
4 department to ensure compliance with the ordinance and this
5 section or to defend actions challenging the adoption of the
6 ordinance allowing the displays.

7 SEC. 2. The Legislature finds and declares that a special statute
8 is necessary and that a general statute cannot be made applicable
9 within the meaning of Section 16 of Article IV of the California
10 Constitution because of the unique circumstances concerning the
11 locations of the advertising displays, or proposed advertising
12 displays, set forth in this act and the need for advertising in those
13 locations, and that an exemption from some of the provisions of
14 the Outdoor Advertising Act is necessary for those displays.

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SB-405 Outdoor advertising displays: exemptions: City of Artesia. (2017-2018)

Date	Result	Location	Ayes	Noes	NVR	Motion
05/22/17	(PASS)	Senate Floor	22	9	9	Senate 3rd Reading SB405 Mendoza
		<p>Ayes: Allen, Atkins, Beall, Bradford, Cannella, De León, Dodd, Galgiani, Glazer, Hernandez, Hertzberg, Hill, Hueso, Lara, McGuire, Mendoza, Mitchell, Portantino, Skinner, Wieckowski, Wiener, Wilk</p> <p>Noes: Bates, Berryhill, Gaines, Leyva, Monning, Morrell, Nguyen, Stone, Vidak</p> <p>No Votes Recorded: Anderson, Fuller, Jackson, Moorlach, Newman, Nielsen, Pan, Roth, Stern</p>				
04/25/17	(PASS)	Sen Transportation and Housing	8	2	3	Do pass as amended, but first amend, and re-refer to the Committee on [Appropriations]
		<p>Ayes: Allen, Beall, Cannella, McGuire, Mendoza, Morrell, Skinner, Wiener</p> <p>Noes: Bates, Gaines</p> <p>No Votes Recorded: Atkins, Roth, Wieckowski</p>				



TO: Chairman Gray and the Members of the Assembly Governmental Organization Committee
 DATE: June 26, 2017
 RE: SB 405 (Mendoza) – **OPPOSE**

SB 405 would allow the City of Artesia to take jurisdiction of outdoor advertising along an Interstate Freeway in violation of State law, Federal Law and the State’s Compact with the Federal Government on Outdoor Advertising Control. Even though the City has not even applied for a permit under existing law, it seeks to carve out a section of its City from State and Federal outdoor advertising control.

- **PREVIOUS EXEMPTION BILLS HAVE ONLY BEEN INTRODUCED AFTER THE PROPONENTS HAD FOLLOWED CALTRANS ADMINISTRATIVE PERMIT REQUIREMENTS AND/OR ITS LANDSCAPED FREEWAY DECLASSIFICATION PROCESS.** Neither of these steps have been taken; rather, the proponents testified in the Senate that previous City administrators at some unknown time in the past had approached Caltrans, and concluded permits would not be allowed under the law and landscaped freeway status at the time. No formal determination was ever sought.
- **THIS BILL GIVES A PORTION OF THE STATE’S SOVERIGN DECISION MAKING RESPONSIBILITY TO THE TRUMP ADMINISTRATION.** Noncompliance with the federal Highway Beautification Act invokes a 10% penalty reduction in federal highway funds. This bill could cost the State \$350 million in Federal Highway funds. In an attempt to avoid this result, the proposed language requests a determination from the Trump FHWA on provisions in the Outdoor Advertising Act that aren’t included in federal law, may encourage federal administrators to encroach into the state’s sovereignty at a time when the federal government is looking for any reason it can find to withhold funds from California. This transfers a decision-making authority the state has had for 50 years to the feds.
- **THIS BILL IGNORES LONG-ESTABLISHED STANDARDS.** Since the precise locations are unknown, it is difficult to determine what legal standards will be breached by giving the City of Artesia unfettered authority to allow billboards. Unfortunately, this bill would ignore long-established Outdoor Advertising standards and carve out a special exception in violation of the State’s Landscaped Freeway provisions. Existing outdoor advertising provisions only are effective if they are followed. If this exception is granted, many more will be requested as there are thousands of parcels in this state that are subject to similar prohibitions. Additionally, it appears the City is seeking to waive the spacing provision which has both aesthetic and safety aspects: aesthetic so there is not a wall of billboards; safety, so a motorist is not unduly distracted.
- **THE BILL CREATES AN UNEVEN PLAYING FIELD AND PICKS WINNERS AND LOSERS.** The regulatory structure that governs our member businesses is complex, and must consider federal, state and local considerations. We are concerned that this proposal creates an uneven playing field for those outdoor companies that have worked with federal, state and local authorities to maintain lawfully permitted displays.

For these reasons, we must oppose SB 405 and we urge your “NO” vote

AMENDED IN SENATE MAY 3, 2017
AMENDED IN SENATE MARCH 23, 2017

SENATE BILL

No. 744

Introduced by Senator Hueso

February 17, 2017

An act to add Section 5272.4 to the Business and Professions Code, relating to outdoor advertising.

LEGISLATIVE COUNSEL'S DIGEST

SB 744, as amended, Hueso. Outdoor advertising: exemption.

Existing law, 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 certain of its provisions advertising displays that advertise the business conducted or services rendered or goods produced or sold on the property upon which the display is placed, as specified.

This bill would exempt from those provisions of the act 3 advertising displays located within 1,800 feet of the intersection of Interstate 8 and State Highway Route 111 in the County of Imperial if certain conditions are met.

This bill would also make legislative findings and declarations as to the need for a special statute relating to the County of Imperial.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. Section 5272.4 is added to the Business and
- 2 Professions Code, to read:

1 5272.4. With the exception of Article 4 (commencing with
2 Section 5300) and Sections 5400 to 5404, inclusive, this chapter
3 does not apply to any of three advertising displays located within
4 a distance of 1,800 feet of the intersection of Interstate 8 and State
5 Highway Route 111 in the County of Imperial, if all of the
6 following conditions are met:

7 (a) Written evidence is provided to the department indicating
8 that both the owner or person in control or possession of the
9 property upon which the advertising display is located and the
10 County of Imperial have consented to the use of the advertising
11 display for commercial advertising.

12 (b) (1) The advertising display was built prior to January 1,
13 1995, and is 14 feet by 48 feet.

14 (2) The advertising display is double-sided and free-standing,
15 static, and nondigital.

16 (c) The display will not necessitate trimming, pruning, topping,
17 or removal of existing trees in order to make the display visible
18 or to improve its visibility, unless done as part of the normal
19 landscape maintenance activities that would be undertaken without
20 regard to the location of the display.

21 (d) The display does not advertise products or services that are
22 directed at an adult population, including, but not limited to,
23 alcohol, tobacco, gambling, or sexually explicit material.

24 (e) *The advertising display will only advertise products, goods,*
25 *services, or businesses that are made, sold, or located in the County*
26 *of Imperial.*

27 (e)

28 (f) (1) Before the display may be used for commercial
29 advertising, the department shall determine that the display will
30 not cause a reduction in federal aid funds or otherwise be
31 inconsistent with any federal law, regulation, or agreement between
32 the state and a federal agency or department.

33 (2) If the department is unable to make the determination
34 required pursuant to paragraph (1), the department shall request
35 the Federal Highway Administration (FHWA) of the United States
36 Department of Transportation to make the determination. Upon
37 receipt of a determination by the FHWA that makes the finding
38 described in paragraph (1), the display may be used for commercial
39 advertising.

40 (f)

1 (g) The display does not cause a reduction in federal aid highway
2 funds, as provided in Section 131 of Title 23 of the United States
3 Code.

4 SEC. 2. Due to the unique circumstances concerning the
5 location of the advertising that is the subject of this act and the
6 need for advertising in the County of Imperial, it is necessary that
7 an exemption from the Outdoor Advertising Act be provided for
8 that advertising, and the Legislature finds and declares that a
9 general statute cannot be made applicable within the meaning of
10 Section 16 of Article IV of the California Constitution.

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SB-744 Outdoor advertising: exemption. (2017-2018)

Date	Result	Location	Ayes	Noes	NVR	Motion
05/30/17	(PASS)	Senate Floor	21	12	7	Senate 3rd Reading SB744 Hueso
		Ayes: Allen, Atkins, Beall, Bradford, Cannella, De León, Dodd, Glazer, Hernandez, Hertzberg, Hill, Hueso, Lara, Mendoza, Mitchell, Pan, Portantino, Roth, Skinner, Stern, Wiener				
		Noes: Anderson, Bates, Berryhill, Fuller, Gaines, Moorlach, Morrell, Nguyen, Nielsen, Stone, Vidak, Wilk				
		No Votes Recorded: Galgiani, Jackson, Leyva, McGuire, Monning, Newman, Wieckowski				
04/25/17	(PASS)	Sen Transportation and Housing	7	3	3	Do pass as amended, but first amend, and re-refer to the Committee on [Appropriations]
		Ayes: Allen, Atkins, Beall, Cannella, Mendoza, Skinner, Wiener				
		Noes: Bates, Gaines, Morrell				
		No Votes Recorded: McGuire, Roth, Wieckowski				



BULLETIN DISPLAYS, LLC
"CREATIVE OUTDOOR ADVERTISING"
Call (310) BULLETIN (285-5384)



TO: Chairman Gray and the Members of the Assembly Governmental Organization Committee
DATE: June 30, 2017
RE: SB 744 (Hueso) – **OPPOSE**

The California State Outdoor Advertising Association (CSOAA), its member companies its labor partners oppose SB 744. This proposal creates an uneven playing field for those outdoor companies that have maintained lawfully permitted displays. SB 744 would benefit those that have not complied with existing law, while punishing other businesses that have abided by the statute.

- **This bill seeks to exempt three illegally constructed advertising displays located in Imperial County from the Outdoor Advertising Act.** The above signed organizations understand the desire to support local businesses and local governments in their pursuit of economic development, but individual exemptions undermine existing law and disadvantage those that have abided by the statute. This bill would ignore these long-established standards and carve out a special exception in violation of federal and state law.
- **THIS BILL VIOLATES FEDERAL LAW.** Noncompliance with the federal Highway Beautification Act invokes a 10% penalty reduction in federal highway funds. While the proposal includes language requiring the department to certify that the display will not put federal funds at risk prior to placement, we fear this invites instability as administrations change. This language attempts to shift compliance approval – currently a state responsibility, back to the federal administration. *While there have been previous exception bills where the then-Administrations ignored the 10%-\$350million penalty provided by federal law, does the legislature want to give this weapon to the Trump Administration?*
- **THIS BILL VIOLATES STATE LAW.** State law requires that outdoor advertising displays only be placed in “business areas,” on parcels zoned commercial or industrial and actually having a commercial or industrial use within 1000 feet. The proponent built three billboards along Interstate 8 without obtaining any permits from the State of California in the 1990s— California has required permits for state highway billboards since 1933. Apparently, there were no County ordinances in rural Imperial County regarding billboards at that time: since 1998 the County’s sign ordinance has prohibited signs under State regulation. On two separate occasions, the State has issued Notices of Violations for the use of these signs: rather than complying and removing the structures, the owner has left them blank or placed “non-commercial” copy of them.
- **CURRENT LAW PROVIDES A BALANCED APPROACH.** There are many commercial and industrial areas where displays are appropriate and welcomed; however, there are many undeveloped, scenic, or landscaped areas where displays are not appropriate. Additionally, in appropriate areas, size and spacing provisions insure proper balance of displays. Both federal and state law have been developed over the past half-century to balance these interests.
- **THIS BILL DOES NOT GENERATE FUNDS FOR LOCAL GOVERNMENT.** Unlike other exemption bills, this bill does not provide any direct revenues to local government, all profits go to an individual who placed the signs illegally. Additionally, these signs violate Imperial County ordinances that have been in place since 1998.

For these reasons, we must oppose SB 744 and we urge your “NO” vote.

Introduced by Senator Portantino

February 16, 2017

An act to add Section 5442.12 to the Business and Professions Code, relating to outdoor advertising.

LEGISLATIVE COUNSEL'S DIGEST

SB 459, as amended, Portantino. Outdoor advertising displays: City of Upland.

(1) The Outdoor Advertising Act regulates placement of advertising signs adjacent to and within specified distances of certain highways. The act prohibits advertising displays from being placed or maintained on property adjacent to a section of a freeway that has been landscaped, with certain exceptions. A violation of the act is a misdemeanor.

This bill would authorize the use of 2 existing advertising displays in the City of Upland adjacent to Interstate 210 if specified conditions are met. Because a violation of the bill's provisions would be a crime, the bill would impose a state-mandated local program.

The bill would also make findings and declarations as to the need for a special statute relating to the City of Upland.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. Section 5442.12 is added to the Business and
2 Professions Code, to read:

3 5442.12. (a) Notwithstanding any other provision of this
4 chapter, Section 5440 does not apply to any advertising display in
5 the City of Upland, if all of the following conditions are met:

6 (1) The advertising display is located within the boundaries of
7 the City of Upland.

8 (2) The advertising display was constructed on or before January
9 1, 2013.

10 (3) The advertising display is adjacent to Interstate 210 and
11 located at the Colonies Crossroads commercial business center.

12 (4) The advertising display does not advertise products, goods,
13 or services related to tobacco, firearms, or sexually explicit
14 material.

15 (5) The display does not impose additional liability on the
16 Department of Transportation.

17 (6) (A) *Before the display may be used for commercial*
18 *advertising, the department shall determine that the display will*
19 *not cause a reduction in federal aid funds or otherwise be*
20 *inconsistent with any federal law, regulation, or agreement between*
21 *the state and a federal agency or department.*

22 (B) *If the department is unable to make the determination*
23 *required pursuant to subparagraph (A), the department shall*
24 *request the Federal Highway Administration (FHWA) of the United*
25 *States Department of Transportation to make the determination.*
26 *Upon receipt of a determination by the FHWA that makes the*
27 *finding described in subparagraph (A), the display may be used*
28 *for commercial advertising.*

29 ~~(6)~~

30 (7) The display is not inconsistent with federal law and does
31 not cause a reduction in federal aid highway funds as provided in
32 Section 131 of Title 23 of the United States Code.

33 (b) Not more than two advertising displays whose maintenance
34 is otherwise prohibited under this chapter shall be maintained at
35 the Colonies Crossroads commercial business center.

36 (c) If any or all of the two advertising displays authorized
37 pursuant to this section are changeable message signs, the City of
38 Upland shall make the displays available on a space-available basis

1 for use by the Department of Transportation or the Department of
2 the California Highway Patrol for public service messages,
3 including Emergency Alert System (Amber Alert) messages
4 disseminated pursuant to Section 8594 of the Government Code,
5 and messages containing, among other things, reports of commute
6 times, drunk driving awareness messages, reports of accidents of
7 a serious nature, and emergency disaster communications.

8 SEC. 2. No reimbursement is required by this act pursuant to
9 Section 6 of Article XIII B of the California Constitution because
10 the only costs that may be incurred by a local agency or school
11 district will be incurred because this act creates a new crime or
12 infraction, eliminates a crime or infraction, or changes the penalty
13 for a crime or infraction, within the meaning of Section 17556 of
14 the Government Code, or changes the definition of a crime within
15 the meaning of Section 6 of Article XIII B of the California
16 Constitution.

17 SEC. 3. Due to unique circumstances concerning the location
18 of the two advertising displays located in the City of Upland set
19 forth in this act and the need for advertising in that location, it is
20 necessary that an exemption from some of the provisions of the
21 Outdoor Advertising Act be provided for those displays, and the
22 Legislature finds and declares that a general statute cannot be made
23 applicable within the meaning of Section 16 of Article IV of the
24 California Constitution.



CALIFORNIA STATE OUTDOOR
ADVERTISING ASSOCIATION

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(916) 446-7843 office
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April 19, 2017

The Honorable Anthony Portantino
State Senator, 25th District
State Capitol, Room 3086
Sacramento, CA 95814

RE: SB 459 – Outdoor advertising displays: City of Upland - OPPOSITION

Dear Senator Portantino;

The California State Outdoor Advertising Association (CSOAA) must respectfully oppose SB 459. This bill seeks to exempt from the Outdoor Advertising Act specific displays within the City of Upland. While our members understand your desire to support local governments in their pursuit of revenue generation, we are concerned that individual exemptions undermine existing law and disadvantage those that have abided by the statute.

The member companies of the CSOAA hold inventory that represents over 90% of the outdoor advertising displays in California. Our members include California's largest firms and many small, family-owned entities. Since 1933, California has enforced its Outdoor Advertising Act (Business and Professions Code sec. 5200 et. seq.) recognizing "Outdoor advertising is an integral part of the business and marketing function, and an established segment of the national economy, and shall be allowed in business areas, subject to reasonable controls in the public interest." (Bus & Prof. sec 5226 (b)).

There are many commercial and industrial areas where displays are appropriate and welcomed; however, there are many undeveloped, scenic, or landscaped areas where displays are not appropriate. Additionally, in appropriate areas, size and spacing provisions insure proper balance of displays. Both federal and state law have been developed over the past half-century to balance these interests.

While California's safety and landscaped provisions predate the federal Highway Beautification Act (23 USC 131), violations of the federal standards could result in a loss of 10% of California's

federal highway funds (currently \$350 million a year). While we appreciate that the proposal includes language requiring the department to certify that the display will not put federal funds at risk prior to placement, however requesting a determination from the FHWA on provisions in the Outdoor Advertising Act that aren't included in federal law, may encourage federal administrators to encroach into the state's sovereignty.

Unfortunately, this bill would ignore these long-established standards and carve out a special exception in violation of the State's Landscaped Freeway provisions.

Existing outdoor advertising provisions only are effective if they are followed. If this exception is granted, many more will be requested as there are thousands of parcels in this state that are subject to similar prohibitions.

The regulatory structure that governs our member businesses is complex, and must consider federal, state and local considerations. We are concerned that this proposal creates an unlevel playing field for those outdoor companies that have worked with federal, state and local authorities to maintain lawfully permitted displays. For these reasons, we must oppose SB 459.

Sincerely,



Meghan Loper
Legislative Advocate
California State Outdoor Advertising Association

cc: The Honorable Members of the Senate Transportation and Housing Committee
Randy Chinn, Chief Consultant, Senate Transportation and Housing
Ted Morley, Republican Caucus Consultant

To: Meghan Loper
From: Ron Beals
Date: October 2, 2017
RE: SUMMARY: AB 1405 (Mullin), as amended September 8, 2017

Lawyer-Client Communication

Attached is a section by section outline of AB 1405, a bill to establish a "Digital Network" of privately financed and operated signs on the state highway system. This summary only describes what is in each section, not the effect beyond what appears in the section. This summary does not include any "pro or con" arguments or where further amendments may be needed to fully clarify the intent.

The Bill amends the Streets and Highways Code, commencing with section 172 (note: section numbers are skipped; highlights are added):

172. Names article Advanced Digital Network Act
- 172.1. "findings" and "purpose"
- 172.4 Definitions
- (a) "Advanced Digital Network" means integrated network of digital signs
 - (b) "Agreement" means any form of legal agreement
 - (c) "Best Value" allows selecting a contractor based on a large group of criteria
 - (d) "Contracting Entity" can be any private, public or consortia
 - (e) "Design Build" is a bid process whereby the "contracting entity" handles the whole project from design through construction
 - (f) "Digital Sign" is to be Department owned or controlled
 - (g) "Project" includes everything from studying to operating a state of the art, full color network of digital signs within the right of way of the state highway system.
- 172.6 (a) Subject to Federal Law
Department may solicit proposals, accept unsolicited proposals, and enter into a comprehensive agreement with a public or private entity for a single project on state highway right of way. The Department shall conduct a best value procurement and negotiate an agreement to be effective upon federal approval.

(b) Contractor to bear all costs

(c) Agreement will provide:

- (1) construction, operation and maintenance of network
 - (2) signs revert to Department at conclusion of network
 - (3) emergency messages have preference
 - (4) Caltrans and CHP to make binding safety determinations as to any sign
 - (5) Hold harmless/indemnity clauses to be agreed upon by Caltrans and the contractor
 - (6) Caltrans to receive funding, share revenue
- (d) Network signs shall be part of state highway network
- (e) Funds received by Caltrans to be used for Transportation purposes only
- (f) Signs shall meet Department standards, including brightness
- (g) Department has final approval on any single location
- (h) Allowing leasing of state highway right of way and airspace
- (i) Must meet standards for noise, landscaping, pollution control, and safety as if Department was building project

172.8 Department may exercise any power it possesses for a transportation project to facilitate the project Department to be reimbursed for all costs (includes planning, environmental, design, right of way acquisition, construction, etc.); Contractor to bear all costs.

172.9 Department to determine form and condition of all advertising. Signs exempt from Bus & Prof. sect 5408

173 No alcohol, tobacco, firearms, sexually explicit materials, political ads or illegal activity shall be advertised.

173.2 Department can use signs for emergency purposes

173.4 (a) Selection process may include:

- (1) Solicitations of proposals for defined projects [Note: this section would infer more than one project might be allowed; other provisions, such as 172.6 (a) would seem to infer one statewide contractors].
- (2) Prequalify and short-list proposers
- (3) Final evaluations on best value
- (4) Negotiation

- (5) Acceptance of unsolicited proposals
- (b) Department or Regional Transportation Agency may award a contract based on best value
- (c) Department may retain a consultant to assist in preparing best value criteria, selection, and oversight
- (d) Winning bidder shall have the following qualifications:
 - (1) Have completed a similar project or demonstrated the experience, competency, etc. to complete project; have key personnel with sufficient experience and training to complete project, and a financial statement that ensures ability to complete project.
 - (2) Proper licenses and registrations
 - (3) Capacity to obtain bonds and insurance
 - (4) Worker Comp coverage
 - (5) Disclaimer for previous 5 years
 - (A) No willful violation of OSHA
 - (B) No disqualification from public project
 - (C) Not found to be non-responsive or not responsible bidder on a public works project
 - (D) Not defaulted on a construction project
 - (E) Violated State Contractors Act or FICA
 - (F) Been Bankrupt or non-completion of project
 - (G) Claim dispute over \$50,000

173.6 Department shall report to legislature within one year of implementation on status, number of signs, revenue, etc.

173.8 Severability Clause

AMENDED IN SENATE SEPTEMBER 8, 2017

AMENDED IN SENATE SEPTEMBER 1, 2017

AMENDED IN SENATE JULY 17, 2017

AMENDED IN ASSEMBLY MAY 2, 2017

AMENDED IN ASSEMBLY MARCH 20, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1405

Introduced by Assembly Member Mullin
(Principal coauthor: Senator Skinner)

February 17, 2017

~~An act to amend Sections 454.52 and 9621 of the Public Utilities Code, relating to energy. An act to add Article 4.6 (commencing with Section 172) to Chapter 1 of Division 1 of the Streets and Highways Code, relating to transportation.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1405, as amended, Mullin. ~~Integrated resource plan: peak demand. Advanced Digital Network Act.~~

Existing law, the Outdoor Advertising Act, provides for the regulation by the Department of Transportation of advertising displays, as defined, within view of public highways.

This bill would enact the Advanced Digital Network Act. The bill would authorize the department, subject to federal approval, to enter into a specified comprehensive development lease agreement pursuant to a best value competitive procurement process for a project with a public or private entity, or a consortia thereof, to install and operate

a network of new digital signs within the rights-of-way of the state highway system that would display commercial advertising and public service messages. The bill would authorize the use of the digital signs for emergency messages, as needed, and require dedicated time to be provided to the department to use the advanced digital network for traveler information and motorist safety and awareness campaigns and any other public messaging desired by the state, without providing additional compensation to the contracting entity.

The bill would provide for the contracting entity with which the department has entered into the agreement to contract and receive funds for the placement of commercial advertisements that meet certain standards established by the department. The bill would require revenues derived from the project to be allocated between the department and the contracting entity with which the department has entered into the agreement and would require those revenues received by the department to be deposited in the State Highway Account.

The bill would authorize the department to exercise any power possessed by it with respect to transportation projects to facilitate the project and to adopt guidelines and procedures relative to advertising on the network. The bill would require the department, within one year following the implementation of the project, to submit a specified report to the fiscal and policy committees of the Legislature having jurisdiction over transportation matters.

~~Existing law requires the Public Utilities Commission to adopt a process for each load-serving entity to file an integrated resource plan and a schedule for periodic updates to the plan to ensure that the load-serving entity meets, among other things, the state's greenhouse gas emissions reduction targets and the requirement to procure at least 50% of its electricity from eligible renewable resources by December 31, 2030. Existing law requires a local publicly owned electric utility with an annual electrical demand exceeding 700 gigawatthours, on or before January 1, 2019, to adopt an integrated resource plan and a process for updating the plan at least once every 5 years to ensure that the utility satisfies, among other things, the state's greenhouse gas emissions reduction targets and the requirement to procure at least 50% of its electricity from eligible renewable resources by December 31, 2030.~~

~~This bill would require the commission and the governing boards of local publicly owned electric utilities, to consider, as a part of the integrated resource plan process, the role of distributed energy resources~~

~~and other specified energy-related and efficiency-related tools, in helping to ensure that each load-serving entity or local publicly owned electric utility, as applicable, meets energy needs and reliability needs while reducing the need for new electricity generation resources and new transmission resources in achieving the state’s energy goals at the least cost to ratepayers. Because this bill would impose additional duties on local publicly owned electric utilities, this bill would impose a state-mandated local program.~~

~~Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime:~~

~~Because a violation of an order or decision of the commission implementing the bill’s requirements would be a crime, this bill would impose a state-mandated local program by creating a new crime.~~

~~This bill would incorporate additional changes to Section 454.52 of the Public Utilities Code proposed by AB 759 to be operative only if this bill and AB 759 are enacted and this bill is enacted last.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for specified reasons:~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: *yes-no*.~~

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

1 SECTION 1. Article 4.6 (commencing with Section 172) is
2 added to Chapter 1 of Division 1 of the Streets and Highways
3 Code, to read:

4
5
6

Article 4.6. Advanced Digital Network Act

7 172. This article shall be known, and may be cited, as the
8 Advanced Digital Network Act.

9 172.1. The Legislature finds and declares all of the following:

10 (a) Communicating timely information to the traveling public
11 regarding laws, services and events, public service and public
12 health and safety messages, and emergency notifications is an
13 essential public purpose that advances the general health, welfare,

1 *and safety of the citizens of California and entities that visit and*
2 *travel through the state.*

3 *(b) California presently makes available on its Internet Web*
4 *site information regarding laws, services and events, communicates*
5 *public service and public health and safety messages, and transmits*
6 *emergency notifications to users of computers, smartphones, and*
7 *similar online and wireless devices. While this mechanism is*
8 *effective, it does not provide real-time information to motorists.*

9 *(c) Recent advances in technology have made it possible to*
10 *create a reliable, effective, and comprehensive network of digital*
11 *signs that combine text with graphics in order to rapidly and*
12 *clearly communicate important emergency and public service*
13 *information to the users of California's highways more safely and*
14 *effectively than the current methods. This advanced technology*
15 *digital network would increase the efficacy and reliability of this*
16 *information transmission by increasing the number and visibility*
17 *of signs providing emergency and public service information,*
18 *thereby enhancing the safety and travel experience of the people*
19 *of California, and function as an extension and improvement of*
20 *the existing California public information and emergency*
21 *messaging communication efforts.*

22 *(d) The establishment and operation of an advanced digital*
23 *network should be accomplished at no cost to the state through a*
24 *public-private partnership, where the private partner erects and*
25 *operates the network, but is allowed to earn revenues from*
26 *advertising when signs on the network are not used for public*
27 *purposes.*

28 *(e) Revenues to the state generated by the advanced digital*
29 *network would provide additional funding for transportation and*
30 *safety initiatives such as additional highway maintenance and*
31 *repair, in return for the right to place advertisements on the*
32 *advanced digital network in a manner that is consistent with, and*
33 *supports, the network's safety and public communication functions.*

34 *(f) The advanced digital network signs shall be located and*
35 *installed in accordance with department guidelines for orientation*
36 *toward motorists on the traveled way and shall have minimal*
37 *impact outside of those rights-of-way.*

38 *(g) The authority to use the advanced digital network for*
39 *commercial advertising shall require that the advertising and*
40 *department messaging, when displayed in combination, are*

1 *determined to be safe and do not create an unsafe distraction to*
2 *motorists, and is subject to any required prior authorization under*
3 *federal law.*

4 *172.4. For purposes of this article, the following terms mean*
5 *the following:*

6 (a) *“Advance digital network” means an integrated network of*
7 *digital signs. The advanced digital network shall consist of new*
8 *digital signs at locations as determined by the department.*

9 (b) *“Agreement” means a legally enforceable agreement for*
10 *the project to install and operate an advanced digital network,*
11 *including, but not limited to, a license, lease, highway improvement*
12 *agreement, easement, encroachment permit, or operation and*
13 *maintenance agreement.*

14 (c) *“Best value” means a value determined by objective criteria*
15 *that may include, but are not limited to, revenues to the state,*
16 *features, experience, functions, life cycle costs, price, the capability*
17 *to develop and incorporate advanced technologies, and other*
18 *criteria deemed appropriate by the department.*

19 (d) *“Contracting entity or lessee” means a public or private*
20 *entity, or consortia thereof, that has entered into a comprehensive*
21 *development lease agreement with the department for a project*
22 *pursuant to this section.*

23 (e) *“Design-build” means a procurement process in which both*
24 *the design and construction of a project are procured from a single*
25 *entity.*

26 (f) *“Digital sign” means a department-owned or controlled*
27 *sign or official sign that is designed to display various messages*
28 *that provide information to the public, as well as advertising, by*
29 *mechanical or electronic means centrally controlled through a*
30 *network, including, but not limited to, digital and light-emitting*
31 *diode (LED) technologies.*

32 (g) *“Project” means to study, plan, design, construct, develop,*
33 *finance, maintain, rebuild, improve, repair, lease, operate, or any*
34 *combination of these, a state-of-the-art, full-color network of digital*
35 *signs within the rights-of-way of the state highway system.*

36 *172.6. (a) Notwithstanding any other law, and subject to any*
37 *required federal approval authorizing the department to do so,*
38 *the department may solicit proposals, accept unsolicited proposals,*
39 *negotiate, and enter into a comprehensive development lease*
40 *agreement with a public or private entity, or consortia thereof, to*

1 *conduct a single project, in a manner that best effectuates the*
2 *purposes of this article, to install and operate new digital signs*
3 *within the state highway right-of-way, in a manner to best*
4 *effectuate the purposes of this article. If the department is advised*
5 *by the United States Department of Transportation, or any of its*
6 *agencies, that a display of advertising authorized by this article*
7 *would result in the reduction of federal aid highway funds to the*
8 *state pursuant to Section 131 of Title 23 of the United States Code,*
9 *that display of advertising shall not be made. The department shall*
10 *conduct a best value competitive procurement and negotiate an*
11 *initial agreement to become effective upon obtaining any necessary*
12 *federal authorization. The department may provide services for*
13 *which it is reimbursed with respect to preliminary design,*
14 *inspection, and oversight of the project.*

15 *(b) The agreement shall provide that the contracting entity with*
16 *which the agreement is entered into will bear all reasonable costs*
17 *of the project, including, but not limited to, costs of installation,*
18 *maintenance, and operation of the project.*

19 *(c) The agreement described in subdivision (a) shall do all of*
20 *the following:*

21 *(1) Provide for construction, operation, and maintenance of a*
22 *network of new digital signs at locations selected for the project.*

23 *(2) Provide for complete reversion of any ownership interest in*
24 *any of the privately constructed, improved, operated, and*
25 *maintained digital signs to the department at the expiration of the*
26 *agreement at no charge to the department and free and clear of*
27 *any liens or encumbrances.*

28 *(3) Provide that all department emergency notifications shall*
29 *have priority over other messaging, including advertising.*

30 *(4) Provide that the department, in consultation with the*
31 *Department of the California Highway Patrol, shall retain the*
32 *ability to make a determination on the safety of the digital signs,*
33 *and may take those actions deemed necessary to protect public*
34 *safety.*

35 *(5) Require that the agreement entered into pursuant to this*
36 *section include indemnity, defense, and hold harmless provisions*
37 *agreed to by the department and the contracting entity, including*
38 *provisions for indemnifying the State of California against any*
39 *claims or losses resulting or accruing from the performance of the*
40 *contracting entity, including advertising on the advanced digital*

1 *network, excluding any advertising approved in advance or*
2 *provided by the department.*

3 *(6) Provide for the contracting entity with which the agreement*
4 *is made to contract and receive funds for the placement of*
5 *commercial advertisements on the advanced digital network, except*
6 *during times and to the extent the signs are in use by the*
7 *department and to share revenues generated in connection with*
8 *the use of those signs for commercial advertising in furtherance*
9 *of the public interest.*

10 *(d) The advanced digital network to be constructed pursuant to*
11 *this article shall, during the term of the agreement, be deemed to*
12 *be a part of the state highway system for purposes of identification,*
13 *maintenance, and enforcement of traffic laws, and part of the state*
14 *highway system for emergency notification and other public service*
15 *information purposes and for the purposes of Division 3.6*
16 *(commencing with Section 810) of Title 1 of the Government Code.*

17 *(e) Revenues from the advanced digital network shall be*
18 *allocated between the contracting entity with which the agreement*
19 *is made and the department in accordance with the agreement as*
20 *provided in paragraph (6) of subdivision (c). Revenue derived*
21 *from the project and received by the department, or any other*
22 *revenue generated from advertising on the advanced digital*
23 *network owned by the department, and received by the department,*
24 *shall be deposited in the State Highway Account in the State*
25 *Transportation Fund. This revenue shall not be subject to the*
26 *transfer under Section 183.1 or any successor to that section.*
27 *Revenues deposited under this section shall be retained in the State*
28 *Highway Account, subject to appropriation by the Legislature,*
29 *consistent with the provisions of any federal authorization.*

30 *(f) The digital signs shall meet the design, construction, and*
31 *operating requirements in the department's standards and*
32 *guidelines, including, but not limited to, controls, such as*
33 *state-of-the-art sensors that control the brightness of the display*
34 *based on the surrounding ambient light levels and other*
35 *technologies muting adjacent glare, that focus the zone of vision*
36 *toward motorists on the traveled way and prevent neighborhood*
37 *impacts in the vicinity of the digital signs.*

38 *(g) The department shall retain the ultimate right to determine*
39 *whether the location for the placement of a digital sign has or will*
40 *negatively impact a residential area or community. If the*

1 department determines that the location of a digital sign has or
2 will have a negative impact on a residential area or community,
3 the department may, in its discretion, impose additional
4 requirements on its lighting or placement, require a different
5 placement, not allow its placement, or require its removal.

6 (h) For the purpose of facilitating the project, the agreement
7 between the parties may include provisions for the lease of
8 rights-of-way in, and airspace over or under, highways, public
9 streets, rail, or related facilities, for the granting of necessary
10 easements, and for the issuance of permits or other authorizations
11 to enable the construction of the project. Facilities subject to an
12 agreement under this section shall, at all times, be owned by the
13 department.

14 (i) The agreement shall require digital signs on the state
15 highway system to meet all requirements for noise mitigation,
16 landscaping, pollution control, and safety that otherwise would
17 apply if the department were designing, building, and operating
18 the project.

19 172.8. The department may exercise any power possessed by
20 it with respect to transportation projects to facilitate the project
21 pursuant to this article. The department may provide services to
22 the contracting entity for which the department is reimbursed,
23 including, but not limited to, planning, environmental planning,
24 environmental certification, environmental review, preliminary
25 design, design, right-of-way acquisition, construction, maintenance,
26 and policing of the project. The department shall regularly inspect
27 the advanced digital network and require the contracting entity
28 to maintain and operate the advanced digital network according
29 to adopted standards. Except as may otherwise be set forth in the
30 agreement, the contracting entity shall be responsible for all costs
31 due to development, maintenance, repair, rehabilitation, and
32 reconstruction, and operating costs.

33 172.9. Advertising on the advanced digital network shall be in
34 the form and under those conditions as may be determined by the
35 department and as may be set forth in standards, guidelines, and
36 procedures adopted by the department. The advertising shall not
37 compromise safety or the department's safety communication
38 functions. The network shall enhance public messaging, including,
39 but not limited to, safety campaigns, emergency notifications,
40 travel times, and traveler information and the function of the

1 *advanced digital network. All digital signs subject to this article*
2 *shall be exempt from Section 5408 of the Business and Professions*
3 *Code and from any and all regulations promulgated in connection*
4 *with Section 5408 of the Business and Professions Code.*

5 *173. The department shall not enter into an agreement with*
6 *any contracting entity that would cause or permit any digital sign*
7 *to display or advertise alcohol, tobacco, firearms, sexually explicit*
8 *material, political messages or advertisements, or any illegal*
9 *activity. The department shall adopt policies and guidelines in*
10 *connection with the content and formatting of the advertising.*

11 *173.2. The department may use the digital signs for emergency*
12 *messages, as needed, and dedicated time shall be provided to the*
13 *department to use the advanced digital network for traveler*
14 *information and motorist safety and awareness campaigns and*
15 *any other public service messaging desired by the state, without*
16 *providing compensation to the contracting entity with which it*
17 *enters into an agreement pursuant to this article.*

18 *173.4. (a) When choosing the contracting entity with which*
19 *to enter into an agreement pursuant to Section 172.6 to effectuate*
20 *the purposes of this article, the department may utilize, but is not*
21 *limited to utilizing, one or more of the following procurement*
22 *approaches:*

23 *(1) Solicitations of proposals for defined projects and calls for*
24 *project proposals within defined parameters.*

25 *(2) Prequalification and short-listing of proposers prior to final*
26 *evaluation of proposals.*

27 *(3) Final evaluation of proposals based on qualifications and*
28 *best value.*

29 *(4) Negotiations with proposers prior to award.*

30 *(5) Acceptance of unsolicited proposals, with issuance of*
31 *requests for competing proposals.*

32 *(b) When evaluating a proposal submitted by the contracting*
33 *entity or lessee, the department or the regional transportation*
34 *agency may award a contract on the basis of best value.*

35 *(c) The department may retain a consultant or adviser to assist*
36 *in preparing the best value criteria, selection of a contracting*
37 *entity, and oversight of the project. The consultant or adviser shall*
38 *not bid on the project or, before one year following award of a*
39 *contract, work as an officer or employee of, or consultant or*

1 *adviser to, any contracting entity or entities seeking to bid on the*
2 *project.*

3 *(d) The contracting entity shall have the following qualifications:*

4 *(1) Evidence that the members of the contracting entity have*
5 *completed, or have demonstrated the experience, competency,*
6 *capability, and capacity to complete, a project of similar size,*
7 *scope, or complexity, and that proposed key personnel have*
8 *sufficient experience and training to competently manage and*
9 *complete the design and construction of the project, and a financial*
10 *statement that ensures that the contracting entity or lessee has the*
11 *capacity to complete the project.*

12 *(2) The licenses, registration, and credentials required to design*
13 *and construct the project, including, but not limited to, information*
14 *on the revocation or suspension of any license, credential, or*
15 *registration.*

16 *(3) Evidence that establishes that members of the contracting*
17 *entity or lessee have the capacity to obtain all required payment*
18 *and performance bonding, liability insurance, and errors and*
19 *omissions insurance.*

20 *(4) Evidence that the contracting entity or lessee has workers'*
21 *compensation experience, history, and a worker safety program*
22 *of members of the contracting entity or lessee that is acceptable*
23 *to the department or regional transportation agency.*

24 *(5) A full disclosure regarding all of the following with respect*
25 *to each member of the contracting entity or lessee during the past*
26 *five years:*

27 *(A) Any serious or willful violation of Part 1 (commencing with*
28 *Section 6300) of Division 5 of the Labor Code or the federal*
29 *Occupational Safety and Health Act of 1970 (Public Law 91-596).*

30 *(B) Any instance in which members of the contracting entity or*
31 *lessee were debarred, disqualified, or removed from a federal,*
32 *state, or local governmental public works project.*

33 *(C) Any instance where members of the contracting entity, or*
34 *its owners, officers, or managing employees submitted a bid on a*
35 *public works project and were found to be nonresponsive or were*
36 *found by an awarding body not to be a responsible bidder.*

37 *(D) Any instance where members of the contracting entity or*
38 *lessee, or its owners, officers, or managing employees defaulted*
39 *on a construction contract.*

1 (E) Any violations of the Contractors' State License Law
2 (Chapter 9 (commencing with Section 7000) of Division 3 of the
3 Business and Professions Code), including, but not limited to,
4 alleged violations of federal or state law regarding the payment
5 of wages, benefits, apprenticeship requirements, or personal
6 income tax withholding, or Federal Insurance Contributions Act
7 (FICA) withholding requirements.

8 (F) Any bankruptcy or receivership of any member of the
9 contracting entity or lessee, including, but not limited to,
10 information concerning any work completed by a surety.

11 (G) Any settled adverse claims, disputes, or lawsuits between
12 the owner of a public works project and any member of the
13 contracting entity or lessee during the five years preceding
14 submission of a bid under this article, in which the claim,
15 settlement, or judgment exceeds fifty thousand dollars (\$50,000).
16 Information shall also be provided concerning any work completed
17 by a surety during this five-year period.

18 173.6. Within one year following implementation of the project,
19 the department shall submit a report to the fiscal and policy
20 committees of the Legislature with jurisdiction over transportation
21 matters. The report shall include, but not be limited to, all of the
22 following:

23 (a) The status of implementation of the agreement, including
24 the number of digital signs placed and the locations of the digital
25 signs placed.

26 (b) The amount of revenue received, cost savings to the
27 department, and the costs incurred by the department with respect
28 to the project, including costs incurred prior to the time the
29 department entered into an agreement.

30 (c) An assessment of the effect the project has had on public
31 safety, emergency notification, traveler information, and motorist
32 safety and awareness campaigns.

33 (d) A description of the types of advertising content displayed
34 on the digital signs.

35 173.8. The provisions of this article are severable. If any
36 provision of this article or its application is held invalid, that
37 invalidity shall not affect other provisions or applications that can
38 be given effect without the invalid provision or application.

39 SECTION 1. ~~Section 454.52 of the Public Utilities Code is~~
40 ~~amended to read:~~

1 ~~454.52. (a) (1) Commencing in 2017, and to be updated~~
2 ~~regularly thereafter, the commission shall adopt a process for each~~
3 ~~load-serving entity, as defined in Section 380, to file an integrated~~
4 ~~resource plan, and a schedule for periodic updates to the plan, to~~
5 ~~ensure that load-serving entities do the following:~~
6 ~~(A) Meet the greenhouse gas emissions reduction targets~~
7 ~~established by the State Air Resources Board, in coordination with~~
8 ~~the commission and the Energy Commission, for the electricity~~
9 ~~sector and each load-serving entity that reflect the electricity~~
10 ~~sector's percentage in achieving the economywide greenhouse gas~~
11 ~~emissions reductions of 40 percent from 1990 levels by 2030.~~
12 ~~(B) Procure at least 50 percent eligible renewable energy~~
13 ~~resources by December 31, 2030, consistent with Article 16~~
14 ~~(commencing with Section 399.11) of Chapter 2.3.~~
15 ~~(C) Enable each electrical corporation to fulfill its obligation to~~
16 ~~serve its customers at just and reasonable rates.~~
17 ~~(D) Minimize impacts on ratepayers' bills.~~
18 ~~(E) Ensure system and local reliability.~~
19 ~~(F) Strengthen the diversity, sustainability, and resilience of the~~
20 ~~bulk transmission and distribution systems, and local communities.~~
21 ~~(G) Enhance distribution systems and demand-side energy~~
22 ~~management.~~
23 ~~(H) Minimize localized air pollutants and other greenhouse gas~~
24 ~~emissions, with early priority on disadvantaged communities~~
25 ~~identified pursuant to Section 39711 of the Health and Safety Code.~~
26 ~~(2) (A) The commission may authorize all source procurement~~
27 ~~for electrical corporations that includes various resource types~~
28 ~~including demand-side resources, supply side resources, and~~
29 ~~resources that may be either demand-side resources or supply side~~
30 ~~resources, taking into account the differing electrical corporations'~~
31 ~~geographic service areas, to ensure that each load-serving entity~~
32 ~~meets the goals set forth in paragraph (1).~~
33 ~~(B) The commission may approve procurement of resource~~
34 ~~types that will reduce overall greenhouse gas emissions from the~~
35 ~~electricity sector and meet the other goals specified in paragraph~~
36 ~~(1), but due to the nature of the technology or fuel source may not~~
37 ~~compete favorably in price against other resources over the time~~
38 ~~period of the integrated resource plan.~~
39 ~~(3) In furtherance of the requirements of paragraph (1), the~~
40 ~~commission shall consider the role of existing renewable~~

1 ~~generation, grid operational efficiencies, energy storage, and~~
2 ~~distributed energy resources, including energy efficiency, in~~
3 ~~helping to ensure each load-serving entity meets energy needs and~~
4 ~~reliability needs in hours to encompass the hour of peak demand~~
5 ~~of electricity, excluding demand met by variable renewable~~
6 ~~generation directly connected to a California balancing authority,~~
7 ~~as defined in Section 399.12, while reducing the need for new~~
8 ~~electricity generation resources and new transmission resources~~
9 ~~in achieving the state's energy goals at the least cost to ratepayers.~~

10 ~~(b) (1) Each load-serving entity shall prepare and file an~~
11 ~~integrated resource plan consistent with paragraph (2) of~~
12 ~~subdivision (a) on a time schedule directed by the commission and~~
13 ~~subject to commission review.~~

14 ~~(2) Each electrical corporation's plan shall follow the provisions~~
15 ~~of Section 454.5.~~

16 ~~(3) The plan of a community choice aggregator shall be~~
17 ~~submitted to its governing board for approval and provided to the~~
18 ~~commission for certification, consistent with paragraph (5) of~~
19 ~~subdivision (a) of Section 366.2, and shall achieve the following:~~

20 ~~(A) Economic, reliability, environmental, security, and other~~
21 ~~benefits and performance characteristics that are consistent with~~
22 ~~the goals set forth in paragraph (1) of subdivision (a).~~

23 ~~(B) A diversified procurement portfolio consisting of both~~
24 ~~short-term and long-term electricity and electricity-related and~~
25 ~~demand reduction products.~~

26 ~~(C) The resource adequacy requirements established pursuant~~
27 ~~to Section 380.~~

28 ~~(4) The plan of an electric service provider shall achieve the~~
29 ~~goals set forth in paragraph (1) of subdivision (a) through a~~
30 ~~diversified portfolio consisting of both short-term and long-term~~
31 ~~electricity, electricity-related, and demand reduction products.~~

32 ~~(c) To the extent that additional procurement is authorized for~~
33 ~~the electrical corporation in the integrated resource plan or the~~
34 ~~procurement process authorized pursuant to Section 454.5, the~~
35 ~~commission shall ensure that the costs are allocated in a fair and~~
36 ~~equitable manner to all customers consistent with Section 454.51;~~
37 ~~that there is no cost-shifting among customers of load-serving~~
38 ~~entities, and that community choice aggregators may self-provide~~
39 ~~renewable integration resources consistent with Section 454.51.~~

1 ~~(d) In order to eliminate redundancy and increase efficiency,~~
2 ~~the process adopted pursuant to subdivision (a) shall incorporate,~~
3 ~~and not duplicate, any other planning processes of the commission.~~

4 ~~SEC. 1.5. Section 454.52 of the Public Utilities Code is~~
5 ~~amended to read:~~

6 ~~454.52. (a) (1) Beginning in 2017, and to be updated regularly~~
7 ~~thereafter, the commission shall adopt a process for each~~
8 ~~load-serving entity, as defined in Section 380, to file an integrated~~
9 ~~resource plan, and a schedule for periodic updates to the plan, to~~
10 ~~ensure that load-serving entities do the following:~~

11 ~~(A) Meet the greenhouse gas emissions reduction targets~~
12 ~~established by the State Air Resources Board, in coordination with~~
13 ~~the commission and the Energy Commission, for the electricity~~
14 ~~sector and each load-serving entity that reflect the electricity~~
15 ~~sector's percentage in achieving the economywide greenhouse gas~~
16 ~~emissions reductions of 40 percent from 1990 levels by 2030.~~

17 ~~(B) Procure at least 50 percent eligible renewable energy~~
18 ~~resources by December 31, 2030, consistent with Article 16~~
19 ~~(commencing with Section 399.11) of Chapter 2.3.~~

20 ~~(C) Enable each electrical corporation to fulfill its obligation to~~
21 ~~serve its customers at just and reasonable rates.~~

22 ~~(D) Minimize impacts on ratepayers' bills.~~

23 ~~(E) Ensure system and local reliability.~~

24 ~~(F) Strengthen the diversity, sustainability, and resilience of the~~
25 ~~bulk transmission and distribution systems, and local communities.~~

26 ~~(G) Enhance distribution systems and demand-side energy~~
27 ~~management.~~

28 ~~(H) Minimize localized air pollutants and other greenhouse gas~~
29 ~~emissions, with early priority on disadvantaged communities~~
30 ~~identified pursuant to Section 39711 of the Health and Safety Code.~~

31 ~~(2) (A) The commission may authorize all source procurement~~
32 ~~for electrical corporations that includes various resource types~~
33 ~~including demand-side resources, supply-side resources, and~~
34 ~~resources that may be either demand-side resources or supply-side~~
35 ~~resources, taking into account the differing electrical corporations'~~
36 ~~geographic service areas, to ensure that each load-serving entity~~
37 ~~meets the goals set forth in paragraph (1).~~

38 ~~(B) The commission may approve procurement of resource~~
39 ~~types that will reduce overall greenhouse gas emissions from the~~
40 ~~electricity sector and meet the other goals specified in paragraph~~

1 (1), but due to the nature of the technology or fuel source may not
2 compete favorably in price against other resources over the time
3 period of the integrated resource plan.

4 (3) In furtherance of the requirements of paragraph (1), the
5 commission shall consider the role of existing renewable
6 generation, grid operational efficiencies, energy storage, and
7 distributed energy resources, including energy efficiency, in
8 helping to ensure each load-serving entity meets energy needs and
9 reliability needs in hours to encompass the hour of peak demand
10 of electricity, excluding demand met by variable renewable
11 generation directly connected to a California balancing authority,
12 as defined in Section 399.12, while reducing the need for new
13 electricity generation resources and new transmission resources
14 in achieving the state's energy goals at the least cost to ratepayers.

15 (b) (1) Each load-serving entity shall prepare and file an
16 integrated resource plan consistent with paragraph (2) of
17 subdivision (a) on a time schedule directed by the commission and
18 subject to commission review.

19 (2) Each electrical corporation's plan shall follow the provisions
20 of Section 454.5.

21 (3) The plan of a community choice aggregator shall be
22 submitted to its governing board for approval and provided to the
23 commission for certification, consistent with paragraph (5) of
24 subdivision (a) of Section 366.2, and shall achieve the following:

25 (A) Economic, reliability, environmental, security, and other
26 benefits and performance characteristics that are consistent with
27 the goals set forth in paragraph (1) of subdivision (a).

28 (B) A diversified procurement portfolio consisting of both
29 short-term and long-term electricity and electricity-related and
30 demand reduction products.

31 (C) The resource adequacy requirements established pursuant
32 to Section 380.

33 (4) The plan of an electric service provider shall achieve the
34 goals set forth in paragraph (1) of subdivision (a) through a
35 diversified portfolio consisting of both short-term and long-term
36 electricity, electricity-related, and demand reduction products.

37 (c) To the extent that additional procurement is authorized for
38 the electrical corporation in the integrated resource plan or the
39 procurement process authorized pursuant to Section 454.5, the
40 commission shall ensure that the costs are allocated in a fair and

1 equitable manner to all customers consistent with Section 454.51,
2 that there is no cost-shifting among customers of load-serving
3 entities, and that community choice aggregators may self-provide
4 renewable integration resources consistent with Section 454.51.

5 ~~(d) To eliminate redundancy and increase efficiency, the process~~
6 ~~adopted pursuant to subdivision (a) shall incorporate, and not~~
7 ~~duplicate, any other planning processes of the commission.~~

8 ~~(e) This section applies to an electrical cooperative, as defined~~
9 ~~in Section 2776, only if the electrical cooperative has an annual~~
10 ~~electrical demand exceeding 700 gigawatthours, as determined on~~
11 ~~a three-year average commencing with January 1, 2013.~~

12 ~~SEC. 2.~~ Section 9621 of the Public Utilities Code is amended
13 to read:

14 ~~9621. (a) This section shall apply to a local publicly owned~~
15 ~~electric utility with an annual electrical demand exceeding 700~~
16 ~~gigawatthours, as determined on a three-year average commencing~~
17 ~~January 1, 2013.~~

18 ~~(b) On or before January 1, 2019, the governing board of a local~~
19 ~~publicly owned electric utility shall adopt an integrated resource~~
20 ~~plan and a process for updating the plan at least once every five~~
21 ~~years to ensure the utility achieves all of the following:~~

22 ~~(1) Meets the greenhouse gas emissions reduction targets~~
23 ~~established by the State Air Resources Board, in coordination with~~
24 ~~the commission and the Energy Commission, for the electricity~~
25 ~~sector and each local publicly owned electric utility that reflect~~
26 ~~the electricity sector's percentage in achieving the economywide~~
27 ~~greenhouse gas emissions reductions of 40 percent from 1990~~
28 ~~levels by 2030.~~

29 ~~(2) Ensures procurement of at least 50 percent eligible renewable~~
30 ~~energy resources by 2030 consistent with Article 16 (commencing~~
31 ~~with Section 399.11) of Chapter 2.3 of Part 1 of Division 1.~~

32 ~~(3) Meets the goals specified in subparagraphs (D) to (H),~~
33 ~~inclusive, of paragraph (1) of subdivision (a) of Section 454.52,~~
34 ~~and the goal specified in subparagraph (C) of paragraph (1) of~~
35 ~~subdivision (a) of Section 454.52, as that goal is applicable to each~~
36 ~~local publicly owned electric utility. A local publicly owned electric~~
37 ~~utility shall not, solely by reason of this paragraph, be subject to~~
38 ~~requirements otherwise imposed on electrical corporations.~~

39 ~~(e) In furtherance of the requirements of subdivision (b), the~~
40 ~~governing board of a local publicly owned electric utility shall~~

1 consider the role of existing renewable generation, grid operational
2 efficiencies, energy storage, and distributed energy resources,
3 including energy efficiency, in helping to ensure each utility meets
4 energy needs and reliability needs in hours to encompass the hour
5 of peak demand of electricity, excluding demand met by variable
6 renewable generation directly connected to a California balancing
7 authority, as defined in Section 399.12, while reducing the need
8 for new electricity generation resources and new transmission
9 resources in achieving the state's energy goals at the least cost to
10 ratepayers.

11 ~~(d) (1) The integrated resource plan shall address procurement~~
12 ~~for the following:~~

13 ~~(A) Energy efficiency and demand response resources pursuant~~
14 ~~to Section 9615.~~

15 ~~(B) Energy storage requirements pursuant to Chapter 7.7~~
16 ~~(commencing with Section 2835) of Part 2 of Division 1.~~

17 ~~(C) Transportation electrification.~~

18 ~~(D) A diversified procurement portfolio consisting of both~~
19 ~~short-term and long-term electricity, electricity-related, and demand~~
20 ~~response products.~~

21 ~~(E) The resource adequacy requirements established pursuant~~
22 ~~to Section 9620.~~

23 ~~(2) (A) The governing board of the local publicly owned electric~~
24 ~~utility may authorize all source procurement that includes various~~
25 ~~resource types, including demand-side resources, supply-side~~
26 ~~resources, and resources that may be either demand-side resources~~
27 ~~or supply-side resources, to ensure that the local publicly owned~~
28 ~~electric utility procures the optimum resource mix that meets the~~
29 ~~objectives of subdivision (b).~~

30 ~~(B) The governing board may authorize procurement of resource~~
31 ~~types that will reduce overall greenhouse gas emissions from the~~
32 ~~electricity sector and meet the other goals specified in subdivision~~
33 ~~(b), but due to the nature of the technology or fuel source may not~~
34 ~~compete favorably in price against other resources over the time~~
35 ~~period of the integrated resource plan.~~

36 ~~(e) A local publicly owned electric utility shall satisfy the notice~~
37 ~~and public disclosure requirements of subdivision (f) of Section~~
38 ~~399.30 with respect to any integrated resource plan or plan update~~
39 ~~it considers.~~

1 ~~SEC. 3. Section 1.5 of this bill incorporates amendments to~~
2 ~~Section 454.52 of the Public Utilities Code proposed by both this~~
3 ~~bill and Assembly Bill 759. That section of this bill shall only~~
4 ~~become operative if (1) both bills are enacted and become effective~~
5 ~~on or before January 1, 2018, (2) each bill amends Section 454.52~~
6 ~~of the Public Utilities Code, and (3) this bill is enacted after~~
7 ~~Assembly Bill 759, in which case Section 1 of this bill shall not~~
8 ~~become operative.~~

9 ~~SEC. 4. No reimbursement is required by this act pursuant to~~
10 ~~Section 6 of Article XIII B of the California Constitution because~~
11 ~~a local agency or school district has the authority to levy service~~
12 ~~charges, fees, or assessments sufficient to pay for the program or~~
13 ~~level of service mandated by this act or because costs that may be~~
14 ~~incurred by a local agency or school district will be incurred~~
15 ~~because this act creates a new crime or infraction, eliminates a~~
16 ~~crime or infraction, or changes the penalty for a crime or infraction,~~
17 ~~within the meaning of Section 17556 of the Government Code, or~~
18 ~~changes the definition of a crime within the meaning of Section 6~~
19 ~~of Article XIII B of the California Constitution.~~



CALIFORNIA STATE OUTDOOR
ADVERTISING ASSOCIATION

1215 K Street, Suite 1500
Sacramento, CA 95814
(916) 446-7843 office
(916) 442-5961 fax

October 4, 2017

VIA POSTAL MAIL & ELECTRONIC MAIL

Ms. Lori Ajax
Chief
Bureau of Cannabis Control
P.O. Box 138200
Sacramento, CA 95813-8200

RE: MAUCRSA - Outdoor Advertising Comments

Dear Ms. Ajax,

The California State Outdoor Advertising Association (CSOAA) respectfully submits the following comments as the Bureau of Cannabis Control develops emergency regulations to implement the Medicinal and Adult-Use Cannabis Regulations and Safety Act (MAUCRSA) and start issuing cannabis licenses in January 2018.

CSOAA represents California outdoor advertising companies that follow federal law and California's Outdoor Advertising Act. In reviewing SB 94 which was enacted into law in June 2017.

At the outset, we would note that the statutes relating to signage are a very minor part of MAUCRSA and do not really have to be addressed at this time unless you intend to address these issues in the emergency regulations. Any regulations dealing with commercial speech on signs has potential constitutional implications. Signage for existing medicinal cannabis use has been in place for many years without any real issues. Thus, we would suggest signage regulations not be included in the emergency regulations.

- 1. New Bus & Prof sec. 26151 (a) requires an outdoor advertising company to insure the placement of a Cannabis licensee's license number on any cannabis billboard.**

This section:

- a) Does not define which type of signage is covered.
- b) Does not define size, location, or wording of this requirement.

2. New Bus & Prof. sec 26152 (d) prohibits a cannabis licensee from advertising on a billboard or similar advertising device located "on an Interstate Highway or on a State Highway that crosses the California border."

This section:

- a) Does not define "billboard or similar advertising device."
- b) Does not include a definition for "freeway" or "state highway."
- c) Does not contain a definition of "state highway that crosses the California border."
- d) Does not specify if it is limited to highways like 395 that cross into another state then cross back into California.
- e) Needs to be clarified to potentially permit advertising on a freeway that crosses the border if the advertising is distant from the border.

3. New Bus & Prof sec 26152 (g) prohibits advertisements for cannabis products on an "advertising sign" with 1,000' feet of a day care center, K through 12 school, playground or youth center.

This section:

- a) Does not define any of the applicable terms: "advertising sign," "day care center," "school," "playground," or "youth center"
- b) Likewise, how 1000' is to be measured must be defined.

We respectfully request that you consider our questions and concerns listed above once you draft and adopt regular regulations. However, if the Bureau intends to adopt emergency regulations pertaining to signage we ask that you consider our request now. We would welcome the opportunity to meet with your team to discuss in greater detail. For any questions, please contact CSOAA's legislative advocates at 916-446-7843 or via email: mloper@lobbbycal.com.

Sincerely,



Meghan Loper
Legislative Advocate
California State Outdoor Advertising Association

cc: CSOAA Board of Directors
Graciela Castillo-Krings, Deputy Legislative Secretary, Office of Governor Edmund G. Brown, Jr.
Dean Grafilo, Director, California Department of Consumer Affairs



Banking The Cannabis Industry



THE PROBLEM

On November 8, 2016, California voters passed Proposition 64, legalizing

the use of recreational cannabis. However, the use, possession and sale of cannabis remains a federal crime.

The federal government still considers marijuana a Schedule I drug under the Controlled Substances Act. As a result, banks and other financial institutions generally refuse to provide services to cannabis businesses.



STATE

FEDERAL

The standoff between State-Federal Law causes the following problems:

State Cannot Fulfill the Will of the People

57% of voters approved the recreational use of cannabis.



Tax Revenues May Be Difficult to Collect

Prop 64 is projected to generate billions in new revenue that would be used for social and medical programs, cannabis research, educational programs, and much more.



Increase in Crime

Large amounts of cash make cannabis businesses targets for violent crimes.



70% | OF MARIJUANA-RELATED BUSINESSES DO NOT HAVE BANK ACCOUNTS.

(Source: Marijuana Business Daily Survey, December 2015)

\$6.64B

PROJECTED INCREASE IN CANNABIS SALES IN CALIFORNIA BY 2020

(Source: Arcview Market Research, August 2016)

PROP 64 IMPOSES A 15% TAX ON THE RETAIL SALE OF CANNABIS



By taxing cannabis, California is expected to bring in an estimated \$1 billion in new tax revenue.

(Source: Legislative Analysts Office)

“WE SHOULDN’T BE FORCED TO CARRY (CASH) AROUND IN DUFFEL BAGS.”

AARON SMITH, EXECUTIVE DIRECTOR OF THE NATIONAL CANNABIS INDUSTRY ASSOCIATION

The Denver Post, ‘Bipartisan marijuana banking bill introduced in U.S. Senate’

THE SOLUTION

State Treasurer John Chiang has convened the Cannabis Banking Working Group. The group has been directed to produce actionable solutions on how to implement Proposition 64 and address the conflict between state and federal law.

Cannabis Banking Not Only A California Problem Finding a Solution to a National Dilemma



Recreational Use

Alaska
California
Colorado
District of Columbia
Massachusetts
Nevada
Oregon
Washington

Medical Use

Arizona
Arkansas
Connecticut
Delaware
Florida
Hawaii
Illinois
Maine
Maryland
Michigan
Minnesota
Montana
New Hampshire
New Jersey
New Mexico
New York
North Dakota
Ohio
Pennsylvania
Rhode Island
Vermont

Limited Medical Marijuana*

Alabama
Georgia
Iowa
Kentucky
Louisiana
Mississippi
Missouri
North Carolina
South Carolina
Tennessee
Texas
Utah
Virginia
Wisconsin
Wyoming



Source: National Conference of State Legislatures, Nov. 9, 2016

*Limited medical marijuana includes cannabis extracts that are high in cannabidiol and low in tetrahydrocannabinol.

The following organizations will comprise the Treasurer's working group:

- ✓ The California Bankers Association
- ✓ California Community Banking Network
- ✓ Credit Union League of California
- ✓ California Board of Equalization
- ✓ California Employment Development Department
- ✓ California Franchise Tax Board
- ✓ California Department of Business Oversight
- ✓ California Business, Consumer Services and Housing Agency
- ✓ Bureau of Medical Cannabis Regulation
- ✓ Financial Crimes Enforcement Network (A U.S. Treasury Department sponsored organization to combat financial crimes. Includes: FBI, DEA, DOJ)
- ✓ California Department of Justice
- ✓ California Growers Association
- ✓ California Cannabis Industry Association
- ✓ California State Association of Counties
- ✓ California League of Cities*

*Invited