



California State Outdoor Advertising Association

**ANNUAL BUSINESS MEETING**

October 8<sup>th</sup> – 9<sup>th</sup> 2018

The Ritz Carlton Bacara, Santa Barbara  
8301 Hollister Avenue  
Santa Barbara, California 93117  
(805) 968-0100



## SCHEDULE OF EVENTS

The Ritz Carlton Bacara, Santa Barbara  
8301 Hollister Avenue  
Santa Barbara, California 93117  
(805) 968-0100

### Monday, October 8, 2018 – CSOAA Annual Meeting and Dinner

12:45 pm Meeting Room Opens - Please join us for Coffee & Light Snacks  
Santa Ynez Room

1:00 – 4:30 pm CSOAA Annual Meeting – **Prompt start at 1:00pm**  
Santa Ynez Room  
*Thank you to our Conference Snack Break Sponsor:*



TBD CSOAA PAC Meeting  
Santa Ynez Room  
\*\*Annual Meeting will adjourn and the PAC meeting will be convened

6:00 – 7:00 pm Cocktail Reception  
Rotunda Terrace  
*Thank you to our Cocktail Reception Sponsor:*



7:00pm Dinner & Presentation of the Legend Awards  
Rotunda Room

### Tuesday, October 9, 2018 – CSOAA Golf Tournament

Golfers depart at their leisure for Sandpiper Golf Club – 0.6 miles from the Resort  
7925 Hollister Avenue, Santa Barbara, CA  
Golf Shop: (805) 968-1541

9:00 am First Tee Time at Sandpiper Golf Club  
\*\*Box lunches at the turn & awards to follow the completion of golf

*Thank you to our Golf Prize Sponsor:*

*Thank you to our Golf Beverage Cart Sponsor:*



**California State Outdoor Advertising Association**  
Annual Membership Meeting – October 8, 2018 - 1:00pm – 4:30pm

The Ritz Carlton Bacara, Santa Barbara  
8301 Hollister Avenue  
Santa Barbara, California 93117  
(805) 968-0100

1. Call to Order - **Prompt start at 1:00pm**
2. Anti-Trust Policy
3. Welcome & Introductory Remarks
  - Billy Wynn III, CSOAA President
4. Update from the Bureau of Cannabis Control, California
  - Presentation by Lori Ajax, Chief (joining via teleconference at 1:15pm)
5. Approval of Previous Meeting Minutes & Financial Update
  - Jim Moravec, CSOAA Secretary
6. PSA Program Update
  - Stacy Miller, Stacy Miller Public Affairs
7. Legislative Update – 2017
  - Meghan Loper & Marvin Pineda, CSOAA Legislative Advocates & Ron Beals, CSOAA Counsel
8. Bylaws & Governance Discussion
  - Billy Wynn, CSOAA President
  - Election of Officers & Board of Directors
9. Legal Update – San Francisco Sugar Sweetened Beverage Litigation
  - Joshua Dick, Gibson Dunn (joining via teleconference at Josh is available at 3:15pm)
10. Update from Office of Outdoor Advertising, Caltrans
  - Velessata Kelly, Office Chief (joining via conference call at 3:30pm)
11. OAAA Update
  - Myron Laible (joining via teleconference at 4:15pm)
12. For the Good of the Order & Closing Remarks
13. Adjournment

*Please join us at 6:00pm on the Rotunda Terrace for cocktails followed by Dinner & the Presentation of the Legend Awards in the Rotunda beginning at 7:00pm.*

## **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

## ***Annual Membership Meeting***

***Thank You to Our Sponsors:***



Custom Electric Signs<sup>SM</sup>



**ADVERTISING COMPANY**



Outdoor Inc.

**BULLETIN DISPLAYS, LLC**

*"CREATIVE OUTDOOR ADVERTISING"*

## Cannabis in California: Background and Regulatory Timeline

The Bureau of Cannabis Control is the lead agency in developing regulations for medical and adult-use cannabis in California. The Bureau is responsible for licensing retailers, distributors, testing labs and microbusinesses.

[https://www.bcc.ca.gov/about\\_us/](https://www.bcc.ca.gov/about_us/)

### Background:

- In 1996, voters approved Proposition 215, which legalized the use of medicinal cannabis in California. Since the proposition was passed most regulation was done by local governments.
- In 2015, California enacted three bills —AB 243 (Wood, Chapter 688); AB 266 (Bonta, Chapter 689); and SB 643 (McGuire, Chapter 719)—that collectively established a comprehensive state regulatory framework for the licensing and enforcement of cultivation, manufacturing, retail sale, transportation, storage, delivery and testing of medicinal cannabis in California. This regulatory scheme is known as the Medical Cannabis Regulation and Safety Act (MCRSA). Senate Bill 837 (Committee on Budget, Chapter 32, Statutes of 2016) built upon the MCRSA framework and added comprehensive environmental safeguards that require the State Water Resources Control Board, in consultation with the Department of Fish and Wildlife, to adopt principles and guidelines governing the use of water for cannabis cultivation with the goal of protecting streams and rivers from illegal diversion.
- In November of 2016, voters approved Proposition 64, the Adult Use of Marijuana Act (AUMA). Under Proposition 64, adults 21 years of age or older can legally grow, possess, and use cannabis for non-medicinal purposes, with certain restrictions. In addition, beginning on January 1, 2018, AUMA makes it legal to sell and distribute cannabis through a regulated business.
- In June 2017, the California State Legislature passed a budget trailer bill, Senate Bill 94 (Chapter 27), that integrated MCRSA with AUMA to create the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) contained in division 10 of the Business and Professions Code (§26000 et seq.). Under MAUCRSA, a single regulatory system governs the medical and adult use cannabis industry in California.

### Regulatory Timeline

California's three state cannabis licensing authorities (*see attached info graphic for breakdown of jurisdiction*) have announced the publication of proposed regulations in the California Regulatory Notice Register, the first step toward adopting non-emergency regulations. The comment period closed on August 27, 2018. CSOAA submitted comments (*please see attached letter*). The stated goal was to have finalized regulations by December 3, 2018.

The Bureau received more than 6,000 comments. Since that time, staff has been responding to those comments and making certain changes to the regulations. Depending on the level of changes made, there could be an additional comment period to allow the public time to review and comment on changes.

## **Lori Ajax, Chief, Bureau of Cannabis Control, California**

(joining via teleconference at 1:15pm)

<https://www.bcc.ca.gov/>

In February 2016, Governor Jerry Brown appointed Lori Ajax as the first Chief of the newly formed Bureau of Cannabis Control. Ajax is responsible for overseeing the creation of the state's regulatory framework for the cannabis industry. She is also an active member of State Treasurer John Chiang's Cannabis Banking Work Group. Prior to her appointment, Chief Ajax served as Chief Deputy Director at the Department of Alcoholic Beverage Control where she spent 22 years working her way up the ranks, starting at the investigator trainee level. Ajax spent ten years in private industry prior to her state government career. She holds a Bachelor of Science Degree in Criminal Justice from California State University, Sacramento.

The Bureau of Cannabis Control is responsible for regulating commercial cannabis licenses for retailers, distributors, microbusinesses, testing laboratories, and temporary cannabis events.

## The Three Licensing Authorities

**CalCannabis Cultivation Licensing**, a division of the California Department of Food and Agriculture (CDFA), is accepting applications for state medicinal and adult-use (recreational) cannabis cultivation licenses as of **January 1, 2018**.

### Bureau

#### BUREAU OF CANNABIS CONTROL



Housed within the **Department of Consumer Affairs**, the bureau licenses testing labs, distributors, retailers, and microbusinesses.

-  1-800-952-5210
-  [bcc@dca.ca.gov](mailto:bcc@dca.ca.gov)
-  [bcc.ca.gov](http://bcc.ca.gov)

### CalCannabis

#### CALCANNABIS CULTIVATION LICENSING


Housed within the **Department of Food and Agriculture**, CalCannabis licenses cannabis cultivators and manages a track-and-trace system.

-  1-833-CALGROW (225-4769)
-  [calcannabis@cdfa.ca.gov](mailto:calcannabis@cdfa.ca.gov)
-  [calcannabis.cdfa.ca.gov](http://calcannabis.cdfa.ca.gov)

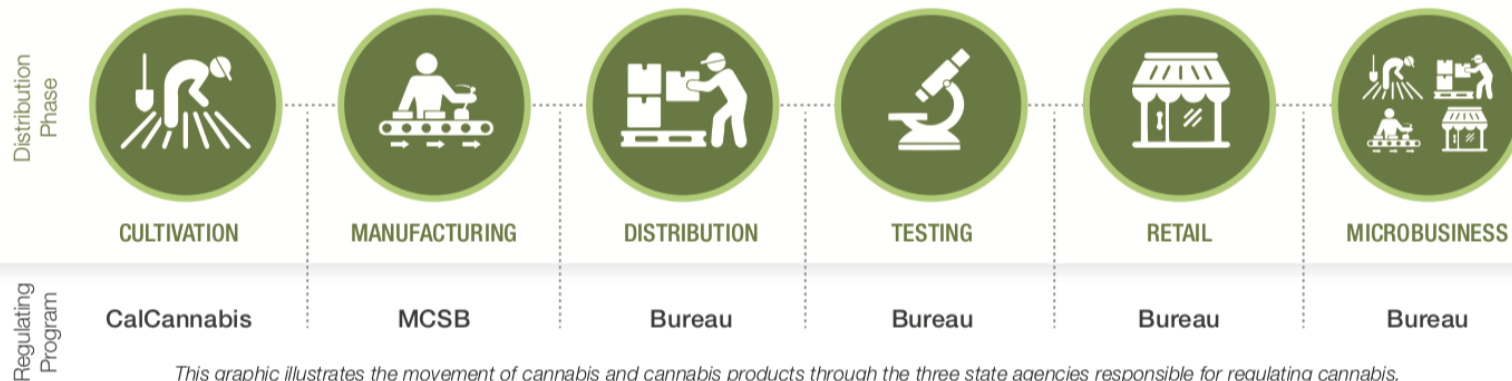
### MCSB

#### MANUFACTURED CANNABIS SAFETY BRANCH

Housed within the **Department of Public Health**, MCSB licenses manufacturers of cannabis products, such as edibles and topical products.

-  1-855-421-7887
-  [mcsb@cdph.ca.gov](mailto:mcsb@cdph.ca.gov)
-  [cdph.ca.gov/mcsb](http://cdph.ca.gov/mcsb)

## Who Does What



*This graphic illustrates the movement of cannabis and cannabis products through the three state agencies responsible for regulating cannabis.*





CALIFORNIA STATE OUTDOOR  
ADVERTISING ASSOCIATION

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

August 27, 2018

SENT VIA EMAIL AND POSTAL MAIL

Lori Ajax, Chief  
Bureau of Cannabis Control  
PO Box 419106  
Rancho Cordova, CA 95741  
**EMAIL:** [bcc.comments@dca.ca.gov](mailto:bcc.comments@dca.ca.gov)

**RE: Comments on Proposed Outdoor Advertising Cannabis Regulations**

Dear Chief Ajax:

The California State Outdoor Advertising Association (CSOAA) is the trade association for the outdoor advertising ("billboard") industry in California, and represents over 90% of the existing displays in the state. CSOAA includes both national, multi-media corporations and family-owned companies with a few dozen displays.

We would like to clarify that proposed section 5040's provisions on "age verification" does not apply to outdoor advertising. As written, that appears to be the Bureau's intent, as 5040 (a) specifically refers to "broadcast, cable, radio, print, and digital communications." However, that section also generally refers to Business and Professions section 26150, which does include outdoor advertising.

Given that outdoor advertising is location-specific, the law has provisions to insure outdoor advertising ads are primarily viewed by an adult audience: Bus. & Prof. C section 26152 (g) prohibits cannabis advertising to be placed within 1000 feet of "...a day care center, school providing instruction in kindergarten or any grades 1 through 12, playground, or youth center..." This is a much more efficient method to insure outdoor advertising cannabis advertisements are not directed to under-aged viewers. Recognizing this, there is no provision in the law requiring such "age verification data" for outdoor advertising (Bus. & Prof. sections 26150-26156).

In the Bureau's statement of reasons, the Bureau apparently believes that limiting outdoor advertising to buildings or permanent structures will assist in audience age verification. Assuming that the Bureau is defining "structure" as it is defined in the Outdoor Advertising Act (Business and Professions Code section 5203) we have no objections to this provision, even though this inclusion would seemingly go far beyond the statute the regulations are relying upon. If there is some other intent inconsistent with the existing Business and Professions Code definition of "structure" that term would need to be separately defined and justified.

So there is no confusion, we would suggest that the phrase "[T]he audience composition data provisions do not apply to outdoor advertising displays" in proposed section 5040 (d)."

We realize that given the vast scope of your regulations this is a very small item. However, given that outdoor advertising has been specifically recognized as a media of communication protected by the First Amendment (Metromedia v San Diego, 453 U. S. 490 (1981), a small clarification now could save all parties extensive litigation in the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Meghan Loper', is written over a thin, light-colored horizontal line.

Meghan Loper, Legislative Advocate, CSOAA

# California State Outdoor Advertising Association

Annual Membership Meeting

October 9, 2017

The Monterey Plaza

400 Cannery Row

Monterey, California 93940

(831) 646-1700

## MINUTES

### (1). Call to Order

*1:05pm meeting called to order. Attendees:*

*Ray Baker, Lamar*

*Phil Cherry, Lamar*

*Chris Prickett, Lamar*

*Ted Stream, Gresham, Savage, Noland & Tilden,  
APC*

*Brian Smith, Lamar*

*Billy Wynn III, General Outdoor*

*Bill Wynn, Jr., General Outdoor*

*Mark Kudler, Bulletin Displays*

*Andy Goodman, Bulletin Displays*

*Al Martini, United*

*Stacy Miller, Stacy Miller Public Affairs*

*Ryan Brooks, Outfront*

*Jerry Young, Daktronics*

*Jeannie Carbajal, Independent's*

*Tim Lynch, General Outdoor*

*Greg Redeker, Stott*

*Jim Moravec, Stott*

*Jason Ripp, Stott*

*Darrin Friskney, Watchfire Signs*

*Josh Haygood, Watchfire Signs*

*Michael Wright, Attorney at Law*

*Bob Meyer, RMG Outdoor*

*Jared Johnson, Samsung*

*Mary Valencia, Outfront*

*Marnie Cody, Hamlin + Cody*

*Richard Hamlin, Hamlin + Cody*

*Ken Person, YESCO*

*Holly Grissom, Formetco*

*Dave McWalters, Clear Channel*

*Layne Lawson, Clear Channel*

*Danny La Rosa, Clear Channel*

*Meghan 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

*Members were asked to review the Anti-trust policy.*

### (3). Welcome & Introductory Remarks

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

*Mr. Wynn welcomed our associate members in attendance. He thanked our conference sponsors: Formetco, YESCO and RMG Outdoor. He also acknowledged our new members: Marin Ventures and Fox Point Media.*

#### (4). Financial Update and Last Meetings Minutes

- Jim Moravec, CSOAA Secretary

*Jim Moravec invited members to review the financial statements. There were no questions or corrections. – Layne Lawson moved to accept, Tim Lynch seconded. The motion carried.*

*Members were invited to review the previous meetings minutes. There were no corrections. Tim Lynch moved approval and David McWalters seconded approval of the Minutes. Motion carried.*

#### (5). Caltrans Permit Fee Update

- Michael Wright – Attorney at Law

*Mr. Wright gave an update and some historical background regarding permit fees – Caltrans is looking to increase fee from \$80. A settlement agreement was entered several years ago and as part of that agreement there was a scheduled gradual increase in fees over several years. The time period for that settlement agreement has expired. Mr. Wright explained that there is some debate as to what costs Caltrans can recover with the permit fee. CSOAA has argued that it should be the cost of permit issuance and some compliance review costs. Caltrans would like to recover the larger costs of maintaining the Outdoor Advertising program. Mr. Wright explained the numbers received from Caltrans to date. There was some discussion as to whether or not the existing statute allowed for program costs to be offset (ex. by the collection of fines for violations). Mr. Beals clarified the revenue sections and that currently fines for violations go to the state highway fund.*

*Mr. Wynn directed members to review the September 22<sup>nd</sup> letter from Caltrans in the packets. He reported that the Board of Directors had held a call last week to discuss. Association leadership discussed legal options, but ultimately determined that was not the most desirable course of action at this time. The permit fee is going to \$100 for 2018, which represents the current statutory cap. Mr. Wright has been in touch with Caltrans counsel and the dialogue continues. Based on initial conversations, it was reported that Caltrans believes they have data to justify a fee between \$140 and \$160. In order to charge that fee they need the legislature to pass a new statute that would raise cap – gives CSOAA several options on how to move forward. A suggestion was made that CSOAA should consider following up with a PRA request to ensure that we have the data as to how they are looking to justify a fee increase.*

*There was some additional discussion by the membership during which those that had been involved with the litigation 10 years earlier shared recollections of that past experience. From a process standpoint, Ms. Loper highlighted that the attempt for new statutory authorization to increase the existing fee could come in two forms, a stand-alone bill or through a budget trailer item.*

#### (6). PSA Program Update

- Stacy Miller, Stacy Miller Public Affairs

*Ms. Miller invited attendees to review the PSA program summary materials in the packets. She highlighted that to date the most recent campaigns had required an investment of 293 boards shared between everyone. She reviewed the PSA committee's discussions and highlighted proposed costs and printing for future program. In her remarks, she reported that she would work with association members to find other vendors if members felt there may be an ability to reduce costs.*

*The report then transitioned to the rate structure discussion for qualifying nonprofits, current costs for a bulletin are \$1400, the suggestion was made to move the price in 2018 to \$1450. Mr. Moravec made the motion to increase the cost of bulletins to \$1450, Mr. Kudler seconded. The motion carried.*

*There was also a brief discussion of the proposed new reimbursement rates for posters (\$200); Junior Posters (\$150) and Shelters (\$50). Mr. Kudler moved to adopt the new proposed reimbursement rates. Mr. Lynch seconded the motion. Motion carried.*

2:17pm – MOTION was made to recess the annual meeting by Billy Wynn.

2:43pm – Meeting was reconvened.

*Items #7 and #8 were taken out of order to accommodate the presenters calling in via conference line.*

(8). OAAA Update

- Myron Laible (*joining via conference call*)

*Mr. Laible began his remarks by highlighting that Ms. Loper had presented at the OAAA convention regarding state issues in CA. He then highlighted legislative and regulatory issues in DC, covering changes at the Federal Highway Administration as well – including the confirmation hearing for new nominee – Paul Trombino for Federal Highway. Myron reported that Mr. Trombino, former Iowa DOT chief has a strong relationship with the industry. Since the confirmation has not been finalized, it remains to be seen how many other changes will come to fruition.*

*He provided a recap on legal issues including: the Scenic America federal lawsuit – including potential next steps with US Supreme Court; fallout post the 2015 Supreme Court ruling in the Reed vs. Town of Gilbert case, where legal challenges to billboard controls have been filed at the state level.*

*On regulatory issues – Mr. Laible highlighted developments related to fixed ladders over 24 feet with Occupational Safety Health Administration. Related to Cannabis advertising – he commented on the rapidly changing landscape as states continue to adopt new policies related to medical and adult use cannabis. He highlighted – an upcoming meeting being held in New York by the Digital Place Based Advertising Association (DPAA) – a digital sign organization – on digital advertising issues.*

*Mr. Laible answered a few questions from CSOAA members. Members expressed an interest in hearing more from OAAA on cannabis advertising in the future.*

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

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

*Mr. Dick joined via conference call and summarized the written report included in the packet. He reported that San Francisco is currently considering whether to file a petition for an 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 decided en banc (by a larger panel of judges). This process could take weeks or months. In the meantime, San Francisco is enjoined from enforcing the Ordinance requiring a health warning on sugar-sweetened beverage advertisements and CSOAA members are not required to place any warnings on any advertisements in the city.*

(9). Legislative Update – 2017

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

*Ms. Loper, Mr. Kimmelshue and Mr. Beals directed members to review the written Legislative update in the packet. They reported that the legislature had adjourned on September 15, 2017 and that the Governor had until October 15, 2017 to sign or veto legislation that had reached his desk during the 2017 legislative session.*

*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. Members were directed to see attached summary on the Landscaped Freeway provisions of the Act in their packets.*

*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.*

*Members engaged in a robust conversation about strategy moving forward. The advocacy team shared that they had had several conversations with policy committee staff and legislators in which they had been encouraged to ask the CSOAA membership for proactive proposals which the industry may be able to support moving forward particularly as it relates to the landscaped freeway provisions of the act.*

*Related to 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.*

*There was a brief discussion among the members related to AB 1405 (Mullin) – Advanced Digital Network Act. Mr. Brooks reported that Outfront views this proposal differently than they have viewed past efforts and is actively working with the author in support of the measure. He reported that there have been ongoing conversations about potential amendments, and that he would make those available to the group when available. There was some discussion and questions among members. From a process standpoint, clarification was offered that nothing will officially appear in print until the legislature returns in January of 2018.*

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

*Mr. Wynn thanked the attendees for the engagement and active participation during the meeting. Members and their guests were reminded to join for the reception and dinner to begin at 6:00pm.*

(12). Adjournment

*The adjournment motion was made by Mr. Lynch, seconded by Mr. Lawson. Meeting adjourned at 4:33pm*

**California State Outdoor Advertising Association**

**\* Statement of Income**

**January 1, 2018 to**

**September 28, 2018**

INCOME:

Dues Income	\$4,900.00
Conference Income	\$10,050.00
Interest Income	\$183.72
Public Service Advertising Income ***	<u>\$203,700.00</u>

TOTAL INCOME: \$218,833.72

OPERATING EXPENSES:

Bank Fees	
Accounting Expense	\$3,203.84
Commission - PSA **	\$1,522.50
Legal Expense	\$55,100.00
Management Fee	\$74,999.97
PSA - Posting Expense **	\$25,400.00
PSA - Printing **	\$18,636.39
Office Expense	\$70.76
Outside Services	\$949.00
Dues & Subscriptions	\$500.00
Rent - Office	\$7,000.00
Telephone	\$41.27
Travel & Hotel	\$451.83
Taxes	\$10.00
Conference Expense	<u>\$10,000.00</u>

TOTAL OPERATING EXPENSES: \$197,885.56

NET OPERATING PROFIT OR (LOSS) \$20,948.16

\* First 9 month of calendar year 2018 as a Calendar Year Taxpayer

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

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

**CALIFORNIA STATE OUTDOOR ADVERTISING ASSOCIATION**

**\*\* Public Service Advertising - Accounting - Payments to Vendors**

**January 1 to September 28, 2018**

Clear Channel Outdoor	\$17,000.00
Lamar Companies	\$7,800.00
Sign Language	\$18,636.39
Stacy Miller Public Affairs	\$1,522.50
Stott Outdoor Advertising	<u>\$600.00</u>
TOTAL	\$45,558.89

**California State Outdoor Advertising Association**  
**\*\*\* Public Service Advertising Accounts - Income 2018**  
**January 1, 2018 – September 28, 2018**

Child Care Alliance of LA	\$ 1,450.00	2/5/18
Holly J. Mitchell for Senate 2018	<u>\$ 1,450.00</u>	7/24/18
	<b>\$ 2,900.00</b>	
Less: Stacy Miller Commission	\$ 507.50	

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CSUN Foundation	\$ 2,900.00	3/14/18
CSU Dominguez Hills	<u>\$ 2,900.00</u>	3/28/18
	<b>\$ 5,800.00</b>	
Less: Stacy Miller Commission	\$ 1,015.00	

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Health Access Foundation	<b>\$195,000.00</b>	9/21/18
Less: Stacy Miller Commission	TBD (invoice has not been received)	

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**California State Outdoor Advertising Association**

**Bank Account Balances**

**September 28, 2018**

US Bank Checking Account	\$	231,948.34
US Bank Market Value Saving Account	\$	<u>243,803.46</u>
TOTAL BANK ACCOUNT BALANCES	\$	475,751.98



**2018 Annual Meeting PSA Committee Report**  
**October 8, 2018**  
*Presented by: Stacy Miller Public Affairs*

**2018 CHANGES TO PSA PROGRAM**

**1. New Printing Company- Independent's Service Company (ICO)**

- We have partnered with Independent's Service Company for CSOAA printing.

ICO Pricing		
Type of Billboard	Size	Cost to Print
Bulletin	14 x 48	\$268.00
Poster	12 x 24	\$51.00
Jr. Poster	6 x 12	\$12.50
Shelter	4 x 6	\$37.50

**2. Posting Fees**

Type of Billboard	Reimbursement Rate
Bulletin	\$600
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
Bulletin	14 x 48	\$1,400
Poster	12 x 24	\$500
Jr. Poster	6 x 12	\$350
Shelter	4 x 6	\$300

**2018 PSA PROGRAM SUMMARY:**

Total Campaigns	Total Boards Committed	Campaigns
5	376	<ul style="list-style-type: none"> <li>• #RiseTogether</li> <li>• Charter Schools</li> <li>• Horton/CSUN</li> <li>• Senator Holly Mitchell/CCALA</li> <li>• #VoteHealth</li> </ul>



**Stacy Miller**  
PUBLIC AFFAIRS INC.

**2018 CSOAA PSA Campaign Summary**

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**Catholic Charities (#RiseTogether)**

1st Qtr. 2018 – 4th Qtr. 2018

135 Bulletins & 50 Posters

COMPANY	1 QTR 2018	2 QTR 2018	3 QTR 2018	4th Qtr 2018	Total
Outfront Media	10	10	9	9	
LA	6	6	6	6	24
Berkeley	1	1	1	1	4
Sacramento	1	1	1	1	4
Fresno	1	1	1	1	4
San Diego	1	1			2

COMPANY	1 QTR 2018	2 QTR 2018	3 QTR 2018	4th Qtr 2018	Total
Clear Channel - Southern	6	6	6	6	24
Clear Channel - Northern	3	3	3	3	12
CCO Oakland	1	1	1	1	4
CCO Sacramento	2	2	2	2	8

COMPANY	1 QTR 2018	2 QTR 2018	3 QTR 2018	4th Qtr 2018	Total
Lamar Advertising	7	7	7	7	
LA	1	1	1	1	4
San Bernardino	1	1	1	1	4
Lancaster	1	1	1	1	4
Palm Springs	1	1	1	1	4
Bakersfield	1	1	1	1	4
San Diego	2	2	2	2	8

COMPANY	1 QTR 2018	2 QTR 2018	3 QTR 2018	4th Qtr 2018	Total
Bulletin Displays, LLC	0	1	0	1	2
General Outdoor		1		1	2
Stott Outdoor - digital	2	2	2	2	8
Veale Outdoor	0	0	1	1	4

Summary of CSOAA PSA Campaigns 2018

Page 2 of 2

Campaign	Commitment	Distribution
CCALA – Senator Holly Mitchell	1st Qtr. 2018 2 – Bulletins	OFM LA- 2
Charter Schools	1 <sup>st</sup> , 2 <sup>nd</sup> Qtr. 2018 35 – Bulletins / Posters	<b>CCO LA</b> 8 Bulletins, 10 Posters <b>OFM LA</b> 4 Bulletins, 11 Posters <b>Foxpoint Media</b> 2 Bulletins
CSUN & CSUDH / Horton	2 <sup>nd</sup> Qtr. 2018 2- Bulletins CSUN 2- Bulletins CSUDH	OFM LA - 4

**Health Access (#Vote Health)**

- 175 Mix of all Boards – Digital, Bulletins, Posters, Jr. Posters, Shelters
- Oct 1- Nov 6, 2018

**UPCOMING CAMPAIGNS 2018**

**Bonnie J. Addario Lung Cancer Foundation**

- 4<sup>th</sup> Qtr. 2018

**Latino Coalition for a Healthy CA (LCHC)**

- 1<sup>st</sup> Qtr 2019

## CSOAA Legislative Update - October 8, 2018

The California Legislature adjourned on August 30, 2018. The Governor's bill signing period for legislation that reached his desk during the 2018 Legislative Session ended on September 30, 2018. This year marked the end of the second year of a two-year legislative session.

Both the State Senate and State Assembly are currently in final recess and adjournment sine die at midnight will occur on November 30. The 2019-2020 legislative session will convene for Organizational session on December 3, 2018. Legislators will then return to their districts through the end of the year and will reconvene after the new year. When the Legislature begins its work in January, members will start fresh and introduce new bills. Subject matter from previous years may be re-introduced, but bill numbers will change.



During the 2018 Legislative Session, legislators sent 1,217 measures to the Governor's desk, which was 240 more measures than he received in 2017. Of those measures, he signed 1,016 measures and vetoed the remaining 201 bills. See chart for recent history.

### Upcoming Legislative Dates of Interest

**November 6, 2018** – General Election

**December 3, 2018** – 2019-2020 Regular session convenes for Organizational Session at 12 noon.

**January 1, 2019** – Statutes take effect (Art. IV, Sec. 8 (c))

Given the activity during 2017 in the first year of the legislative session, there were several bills of interest to CSOAA once again in 2018. Some of these bills were "2-year bills" that started the process last year, and others were new issues that were amended or newly introduced in 2018. 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 bill tracking list for extensive list).

### EXEMPTIONS TO THE STATE OUTDOOR ADVERTISING ACT

In 2017, CSOAA had enjoyed success in delaying progress on several measures that would have created specific exemptions to the act. As we anticipated, the fight on some of these measures continued in 2018. CSOAA has consistently argued that the regulatory structure that governs our member businesses is complex, and must consider federal, state and local considerations. Furthermore, CSOAA has 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.

As we discussed at last year's meeting, the landscaped freeway provisions of the state law had gained the attention of legislators looking to be responsive to requests from cities for increased flexibility. Ultimately, Assemblymember Rubio introduced AB 3168. While the initial bill was not one that CSOAA could support, we were successful in working with our members and the author to amend the bill to something we could support. The Governor signed the measure on September 29, 2018 and the statute will take effect January 1, 2019. (See summary below). This achievement is significant as the Governmental Organization committee in the Assembly has made clear its desire to see policies with statewide application, rather than individual local carve outs.

While CSOAA supported AB 3168, there were a number of additional bills which we opposed, including SB 405, SB 744, SB 459. Once again CSOAA was successful in defeating these 2-year bills. (see specific summaries below).

Of the 2-year bills, SB 744 (Hueso) remained a "HOT" issue until the final days of the legislative session. Although the summary below notes the official deadline failure in late June, the Senator was actively seeking an alternative bill until the end of session. He has indicated that he will continue to pursue this subject moving forward. (See recent opposition letter)

Sacramento was also impacted by the national "Me Too" movement. Senator Mendoza, the original author of SB 405 – the exemption for the City of Artesia, ultimately resigned his Senate seat as a result of sexual misconduct allegations. Prior to his resignation, Assemblymember Cristina Garcia introduced AB 1982 on the same subject matter. Assemblymember Garcia was forced to take a leave of absence when she was also accused of sexual misconduct. She has since returned to the legislature, but did not return early enough in the session to advance AB 1982 and the measure failed process deadlines.

Additionally, there were other measures that were introduced in 2018 that the CSOAA legislative committee and board considered, and those actions and positions are reflected in more extensive list following this report. "HOT" bills or those where the CSOAA took an official position are detailed below, others that we monitored, but did not take an official position on are in the lengthier tracking list.

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

**CSOAA Position:** OPPOSED

**Status:** **DEAD** - 6/29/18 - Failed Deadline pursuant to Rule 61(b)(13).

**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.

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**SB 744 (Hueso)** - Outdoor advertising: exemption.

**CSOAA Position:** OPPOSED

**Status:** **DEAD** - 6/29/18 - Failed Deadline pursuant to Rule 61(b)(13)

**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:** This bill stalled in 2017 in the Governmental Organization Committee. During the recess, Senator Hueso continued to push for this measure and ultimately was successful in flipping the State Building Trades Council from opposition to support. The Teamsters held firm in their opposition, however. Senator Hueso pushed hard on his colleagues in the Assembly to hear the bill in Assembly GO committee for a vote in 2018. After extensive lobbying, the author pulled the bill from the hearing agenda. Later in the session he approached Assemblymember Rubio about amending her bill, AB 3168 to include his language. He suggested an amended version to limit the bill from three signs to one sign. This year he was unsuccessful, but we anticipate that he will make another attempt in 2019.

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**SB 459 (Portantino)** - ~~Outdoor advertising displays: City of Upland.~~ Public employee retirement systems: prohibited investments: retailers and wholesalers of banned weapons

**CSOAA Position:** No longer of interest with January 2018 amendments.

**Status:** Amended in early January to a different subject matter. **No longer of interest to CSOAA.**

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**AB 3168 (Rubio)** – Outdoor Advertising Displays: publicly owned property.

**CSOAA Position:** **SUPPORT**

**Status:** 9/29/18 Approved by the Governor. Chaptered by Secretary of State - Chapter 926, Statutes of 2018.

**Bill Summary:** The Outdoor Advertising Act regulates the 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, and defines “landscaped freeway” for these purposes to mean a section or sections of a freeway that is now, or later may be, improved by the planting at least on one side or on the median of the freeway right-of-way of lawns, trees,

shrubs, flowers, or other ornamental vegetation requiring reasonable maintenance. This bill would narrow the prohibition of the act to instead prohibit, except as specified, placing or maintaining advertising displays on property adjacent to a 1,000-foot or greater section of a freeway that has been landscaped with at least an average width of 20 feet, as defined, of landscaping or that includes trees on Department of Transportation-owned property at the same or elevated grade of the main-traveled way if the advertising display is designed to be viewed primarily by persons traveling on the main-traveled way of the landscaped freeway. The bill would require the department to determine the average width using a specified formula, would provide that all existing classifications are to remain in effect until the department receives a request for a new classification review in accordance with its regulations, and would authorize the department to charge a fee not to exceed \$500, as specified, to conduct a classification review. This bill contains other related provisions and other existing laws.

**Background:** As initially introduced this bill would have eliminated all landscaped freeway provisions. CSOAA worked with the author and in consultation with our members and other stakeholders to propose amendments that the association could support. AB 3168 seeks to update the State's Landscaped Freeway Provisions of the Outdoor Advertising Act. This bill received bipartisan support in policy and fiscal committee.

Current law prohibits new outdoor advertising displays to be placed adjacent to Landscaped Freeways with some minor legislative exceptions. However, there are displays that were placed prior to an area being landscaped that continue.

However, the Outdoor Advertising act contains only minimal standards on how a landscaped freeway is determined, basically leaving the determination to the subjective judgement of a state landscape architect -- frequently, ivy on a fence has been enough to justify the determination. *This bill adds minimal length and width to the Code's definition of landscaped freeway, hopefully eliminating the complaint of many cities that they are precluded from approving billboards by minimal plantings. It does not mandate any billboards be approved by a city or county.*

The Act does allow relocations of legally placed displays within the same jurisdiction; however, it does not allow jurisdiction to jurisdiction relocations. *This bill would allow city to city relocations, without increasing the total number of displays in landscaped areas statewide.*

The final set of amendments incorporate technical feedback from Caltrans. This bill had no opposition in policy committee. There has been recent opposition from an anti-billboard group in San Diego. However, it is unclear whether the opponents understand that no billboard can be built placed under this section without local entity approval. (Please see signature request letter to the Governor).

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## CSOAA - Legislative Status Report

### 10/4/2018

**AB 700**

**(Jones-Sawyer D)** Outdoor advertising displays: arenas.

Current Text: Chaptered: 9/11/2018 [html](#) [pdf](#)

Last Amend: 6/4/2018

Status: 9/11/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 337, Statutes of 2018.

Location: 9/11/2018-A. CHAPTERED

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

**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 specified advertising displays located on the premises of an arena or that have been authorized, as of January 1, 2019, by, or in accordance with, a local ordinance as part of a specific plan or sign district adopted in connection with the approval of the arena and that are subject to specified conditions. This bill would extend the date of this authorization to January 1, 2021.

Position                      Priority  
HOT

**Notes2:** 6/7/18 - CSOAA board had a conference call to discuss. This bill seeks to extend a sunset on a 2013 bill by then Senator Padilla, SB 31. In 2013 CSOAA opposed the original measure and lost. Consensus of the board was that this was a clean extension, and not a fight we should take on at this time. Vote was to take no official position on the bill.

**AB 987**

**(Kamlager-Dove D)** California Environmental Quality Act: sports and entertainment project.

Current Text: Chaptered: 10/1/2018 [html](#) [pdf](#)

Last Amend: 8/27/2018

Status: 9/30/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 961, Statutes of 2018.

Location: 9/30/2018-A. CHAPTERED

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

**Summary:** Would authorize the Governor to certify a specified sports and entertainment project located in the City of Inglewood for streamlining if the project meets certain requirements. The bill would apply certain rules of court establishing procedures requiring actions or proceedings seeking judicial review pursuant to CEQA or the granting of project approvals, including any appeals therefrom, to be resolved within 270 days of the filing of the certified record of proceedings with the court to an action or proceeding seeking judicial review of the lead agency's action related to the certified project.

Position                      Priority  
Watch

**AB 1405**

**(Mullin D)** Digital sign demonstration pilot program.

Current Text: Amended: 6/13/2018 [html](#) [pdf](#)

Last Amend: 6/13/2018

Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was S. T. & H. on 2/14/2018)

Location: 8/31/2018-S. DEAD

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

**Summary:** Would require the Department of Transportation to establish a digital sign demonstration program. As part of the program, the bill would authorize the department, subject to federal approval, to enter into specified

comprehensive development lease agreements until January 1, 2024, pursuant to a best value competitive procurement process for pilot projects with public or private entities or a consortia of those entities, to install and operate up to 25 new digital signs within the rights-of-way of the state highway system that would display commercial advertising and public service messages.

Position Priority  
HOT

Notes2: CSOAA has no official position on this bill as members of the CSOAA are on both sides of the issue.

**AB 1982**

**(Garcia, Cristina D)** Outdoor advertising displays: exemptions: City of Artesia.

Current Text: Introduced: 1/31/2018 [html](#) [pdf](#)

Status: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was G.O. on 2/8/2018)

Location: 4/27/2018-A. DEAD

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

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 in 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 an advertising display that is lighted or a message center does not constitute a hazard to traffic.

Position Priority  
Oppose HOT

Notes2: CSOAA is opposed. This bill is identical to previously introduced SB 405, which CSOAA also opposes.

**AB 2000**

**(Kalra D)** Alcoholic beverages: tied-house restrictions: advertising.

Current Text: Chaptered: 9/18/2018 [html](#) [pdf](#)

Last Amend: 8/16/2018

Status: 9/18/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 483, Statutes of 2018.

Location: 9/18/2018-A. CHAPTERED

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

Summary: The Alcoholic Beverage Control Act generally prohibits a manufacturer, winegrower, distiller, bottler, or wholesaler, among other licensees, or agents of these licensees, from paying a retailer for advertising. The act creates a variety of exceptions from this prohibition. Current law requires the purchase of advertising space or time in this context to be conducted pursuant to a written contract with the on-sale licensee, with a specified exception. Current law makes it a crime for an on-sale licensee to coerce certain licensees to purchase advertising space or time, as specified. This bill would expand the exceptions described above to allow beer manufacturers, winegrowers, distilled spirits rectifiers, distilled spirits manufacturers, or distilled spirits manufacturer's agents to purchase advertising space and time, in connection with described events, from, or on behalf of, on-sale retail licensees, as described above, at specified stadiums located in the City of San Jose.

Position Priority  
Pending

**AB 2146**

**(Gloria D)** Alcoholic beverages: tied-house restrictions: advertising.

Current Text: Chaptered: 9/18/2018 [html](#) [pdf](#)

Last Amend: 8/22/2018

Status: 9/18/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 487, Statutes of 2018.

Location: 9/18/2018-A. CHAPTERED

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

Summary: Would expand the exceptions as specified to allow beer manufacturers, winegrowers, distilled spirits

rectifiers, distilled spirits manufacturers, or distilled spirits manufacturer's agents to purchase advertising space and time, in connection with described events, from, or on behalf of, on-sale retail licensees, as described, at a specified stadium located in the City of San Diego. By expanding the definition of a crime, this bill would impose a state-mandated local program.

Position Priority  
Pending

[AB 2341](#)

**(Mathis R)** California Environmental Quality Act: aesthetic impacts.

Current Text: Chaptered: 9/7/2018 [html](#) [pdf](#)

Last Amend: 6/14/2018

Status: 9/7/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 298, Statutes of 2018.

Location: 9/7/2018-A. CHAPTERED

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

Summary: The California Environmental Quality Act requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would, until January 1, 2024, specify that, except as provided, the aesthetic effects of projects meeting certain requirements are not significant effects on the environment for purposes of CEQA and that the lead agency is not required to evaluate the aesthetic effects of those projects.

Position Priority  
Pending

[AB 2650](#)

**(Lackey R)** Public transit buses: illuminated signs.

Current Text: Introduced: 2/15/2018 [html](#) [pdf](#)

Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. TRANS. on 3/8/2018)

Location: 5/11/2018-A. DEAD

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

Summary: Current law requires the illuminated signs on buses operated by a publicly owned transit system to adhere to certain specifications, including, among others, being limited in size to a display of not greater than 720 square inches, and requiring the illuminated signs to display information directly related to public transit service, including, but not limited to, route number, destination description, run number, and public service announcements. This bill would revise those conditions, to increase the maximum display area of an illuminated sign to 4,320 inches and to allow paid advertising to be displayed on the illuminated sign.

Position Priority  
Pending

[AB 3099](#)

**(Santiago D)** California Environmental Quality Act: statute of limitations.

Current Text: Amended: 3/22/2018 [html](#) [pdf](#)

Last Amend: 3/22/2018

Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. NAT. RES. on 3/22/2018)

Location: 5/11/2018-A. DEAD

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

Summary: CEQA requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA specifies time periods within which a person is required to bring an action or proceeding challenging a public agency's action

on the grounds that the public agency violated the requirements of CEQA, as specified. This bill would shorten certain of those time periods, as provided.

Position Priority  
Pending

**AB 3168**

**(Rubio D)** Outdoor advertising displays: publicly owned property.

Current Text: Chaptered: 9/29/2018 [html](#) [pdf](#)

Last Amend: 8/24/2018

Status: 9/29/2018-Approved by the Governor. Chaptered by Secretary of State - Chapter 926, Statutes of 2018.

Location: 9/29/2018-A. CHAPTERED

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

**Summary:** Would narrow the prohibition of the Outdoor Advertising Act to instead prohibit, except as specified, placing or maintaining advertising displays on property adjacent to a 1,000-foot or greater section of a freeway that has been landscaped with at least an average width of 20 feet, as defined, of landscaping or that includes trees on Department of Transportation-owned property at the same or elevated grade of the main-traveled way if the advertising display is designed to be viewed primarily by persons traveling on the main-traveled way of the landscaped freeway.

Position Priority  
Support HOT

**SB 405**

**(Mendoza D)** Outdoor advertising displays: exemptions: City of Artesia.

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

Last Amend: 5/3/2017

Status: 6/29/2018-Failed Deadline pursuant to Rule 61(b)(13). (Last location was A. 2 YEAR on 7/14/2017)

Location: 6/29/2018-S. DEAD

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

**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 Priority  
Oppose 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 744](#)

**(Hueso D)** Outdoor advertising: exemption.

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

Last Amend: 5/3/2017

Status: 6/29/2018-Failed Deadline pursuant to Rule 61(b)(13). (Last location was A. G.O. on 6/12/2017)

Location: 6/29/2018-S. DEAD

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

**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: Oppose  
Priority: 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

[SB 789](#)

**(Bradford D)** California Environmental Quality Act: sports and entertainment project.

Current Text: Amended: 9/12/2017 [html](#) [pdf](#)

Last Amend: 9/12/2017

Status: 6/29/2018-Failed Deadline pursuant to Rule 61(b)(13). (Last location was A. NAT. RES. on 9/8/2017)

Location: 6/29/2018-S. DEAD

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

**Summary:** Would establish specified administrative and judicial review procedures for the administrative and judicial review of the EIR and approvals granted for a project related to the development of a specified sports and entertainment project in the City of Inglewood. Because the lead agency would be required to use these alternative procedures for administrative review of the EIR if the project applicant so chooses, this bill would impose a state-mandated local program. The bill would exempt from the requirements of CEQA a guideway project intended for development with the specified sports and entertainment project.

Position: Watch  
Priority:

[SB 1052](#)

**(Bates R)** California Environmental Quality Act: judicial challenge: identification of parties and contributors.

Current Text: Amended: 3/21/2018 [html](#) [pdf](#)

Last Amend: 3/21/2018

Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was S. E.Q. on 4/18/2018)

Location: 5/11/2018-S. DEAD

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

*Summary: Would require a plaintiff or petitioner, in an action brought pursuant to CEQA, to disclose specified information regarding the plaintiff or petitioner in the complaint or petition, as specified. The bill would require disclosure of the identity of a person or entity that contributes in excess of \$100 dollars, as specified, toward the plaintiff's or petitioner's costs of an action. The bill would provide that a failure to provide this disclosure shall be grounds for dismissal of the action by the court or, if the failure occurs during a postjudgment proceeding, the denial of attorneys' fees for a successful plaintiff or petitioner.*

*Position                      Priority*  
*Pending*

**SB 1167**

*(Anderson R) Eminent domain: final offer of compensation.*

*Current Text: Introduced: 2/14/2018 [html](#) [pdf](#)*

*Status: 5/11/2018-Failed Deadline pursuant to Rule 61(b)(6). (Last location was S. JUD. on 2/22/2018)*

*Location: 5/11/2018-S. DEAD*

<i>Desk</i>	<i>Dead</i>	<i>Fiscal</i>	<i>Floor</i>	<i>Desk</i>	<i>Policy</i>	<i>Fiscal</i>	<i>Floor</i>	<i>Conf. Conc.</i>	<i>Enrolled</i>	<i>Vetoed</i>	<i>Chaptered</i>
<i>1st House</i>				<i>2nd House</i>							

*Summary: Would provide that if a court finds, on motion of the defendant, that the offer of the plaintiff was lower than 85% 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 85% 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*  
*Pending*

**SB 1174**

*(Stone R) Commercial real estate: disclosures.*

*Current Text: Amended: 4/2/2018 [html](#) [pdf](#)*

*Last Amend: 4/2/2018*

*Status: 4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was B. & F. I. on 4/2/2018)*

*Location: 4/27/2018-S. DEAD*

<i>Desk</i>	<i>Dead</i>	<i>Fiscal</i>	<i>Floor</i>	<i>Desk</i>	<i>Policy</i>	<i>Fiscal</i>	<i>Floor</i>	<i>Conf. Conc.</i>	<i>Enrolled</i>	<i>Vetoed</i>	<i>Chaptered</i>
<i>1st House</i>				<i>2nd House</i>							

*Summary: Would provide for a voluntary certified commercial real property disclosure to be provided by the transferor of commercial real property, as defined, to a prospective transferee. The bill would require any transferor that elects to provide that disclosure to include within the contract for the transfer of the property a provision allowing the transferee to have a specified period of time to terminate his or her offer following receipt of the disclosure.*

*Position                      Priority*  
*Pending*

**Total Measures: 16**  
**Total Tracking Forms: 16**



Clear Channel  
Outdoor



GENERAL  
OUTDOOR ADVERTISING

**TO:** Chairman Gray and the Members of the Assembly Governmental Organization Committee  
**DATE:** June 21, 2018  
**RE:** SB 744 (Hueso) – **OPPOSE**

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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 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.**



CALIFORNIA STATE OUTDOOR  
ADVERTISING ASSOCIATION

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September 11, 2018

The Honorable Edmund "Jerry" G. Brown, Jr.  
Governor, State of California  
State Capitol  
Sacramento, CA 95814

**REQUEST FOR SIGNATURE – AB 3168 (Rubio) Outdoor Advertising Displays: Publicly owned property**

Dear Governor Brown,

The California State Outdoor Advertising Association (CSOAA) is pleased to support AB 3168 (Rubio), a measured approach that updates the state's Landscaped Freeway provisions in the Outdoor Advertising Act (OAA). This bill has received near-unanimous bipartisan support in policy and fiscal committees and on both the Senate and Assembly Floors.

**Overview**

Given your history of service to the state of California and your familiarity in pursuing partnerships working with the outdoor advertising industry at the Coliseum and at the Port of Oakland/Bay Bridge during your tenure as Mayor of Oakland, we appreciate your thoughtful consideration of this issue. This bill will put cities on equal footing with Caltrans in their legal ability to relocate billboards, while retaining complete local control over any such relocations.

The CSOAA was formed in 1967 and for decades our member companies have worked diligently to comply with federal, state and municipal statutes and ordinances. In an era of challenging municipal budgets, many communities, such as Sacramento, Oakland, Inglewood and San Carlos, have partnered with outdoor advertising companies to erect modern, digital displays for an additional source of revenue and to enhance local businesses.

While the federally-mandated sections of the Outdoor Advertising Act has objective size, spacing and zoning standards, the State's Landscaped Freeway Law currently has few objective standards, rather relying on the subjective judgement of a state landscape architect to make the determinations of what is "landscaped." This has resulted in a complete prohibition of miles of freeway, sometimes with as little as "ivy on a fence" to justify the landscaped designation. While supportive of the intent of the law to keep displays out of "landscaped areas," the current lack of standards has long confused cities and outdoor advertisers: additionally it has frequently been an issue that has demanded the attention of Caltrans senior management when cities have appealed to them to overrule the landscapers' determinations.

AB 3168 will add reasonable, objective standards to the law by requiring a codified length and width requirement, and eliminating fence coverings as justifying a landscaped freeway designation. Proponents have worked with represents of cities, the outdoor advertising industry and Caltrans to eliminate, or minimize, concerns from initial drafts.

Additionally, current law allows relocations of displays in landscaped areas -- statewide for Caltrans, but only in the same city for municipalities. This bill will put cities on an equal footing with Caltrans, allowing city to city relocations, provided the number of landscaped freeway displays does not increase statewide and all federally mandated statutes are complied with.



### **Details**

This bill will accomplish two important goals: 1.) adding OBJECTIVE CRITERIA to the determination of what is a "landscaped freeway" and, 2.) making it easier to RELOCATE existing landscaped signs in communities that want them, without adding to the presently existing number of displays along landscaped freeways. These modest changes should substantially reduce the need for bills seeking "single location" exceptions to state law.

While important, the changes that this bill seeks to make are measured and in line with existing processes, and thus we believe will not result in additional state costs. It could be argued that this bill may result in some savings as there will not be a need for an on-site inspection for every request, as the new objective standards can frequently be determined by office review of existing maps and photos.

### **OBJECTIVE CRITERIA:**

The essential provisions of this section of the OAA have remained unchanged since they were adopted in 1953, when there were few freeways and essentially none more than two lanes wide or with overpasses (Stats. 1953, c. 1854). Billboards at that time had little regulation and local zoning was very minimal and there were few land use regulations.

Since that time, thousands of miles of freeways have been constructed statewide, many in urban areas. Likewise, outdoor advertising has evolved from wooden signs, to modern structures, many with changeable, full-color messages. Many communities now welcome modern signs, frequently obtaining the removal of older displays in exchange for a few of the newer displays under the state's Billboard Relocation provisions (B & P sec. 5412).

The 1953 law simply stated that billboards are prohibited along sections of "Landscaped Freeway." However, with just a few examples of "functional" plantings, there are no objective standards as to length or width to become a "landscaped freeway section." In the mid-1970s, there was extensive litigation of the landscaped freeway statutes, which resulted in Caltrans adopting some minimal objective regulations, mainly a 1000' length requirement (CCR, Title 4, sec. 2500 et. seq.). However, the basic determination remained a subjective opinion of state landscaped architects: there was (1) no width requirement, (2) exception for minimal plantings, such as ivy on a chain-linked fence, (3) exceptions for plantings that were not primarily designed to be viewed by motorists, such as plantings under viaduct sections of freeway.

This bill would maintain existing Caltrans regulations that require a minimum 1000' length of continuous landscaping to receive a "landscaped freeway designation." Additionally, to further clarify, this bill would specify a 20' average width for a "Landscaped Freeway" classification, and clarify that existence of ivy on a fence or sound wall alone is not enough to constitute landscaping. Additionally, the bill would clarify that plantings on department owned property that are not readily visible to the traveling motorist cannot be utilized to justify a designation as "landscaped freeway." These changes will add certainty to landscaped freeway determinations and relieve Caltrans from having to make as many subjective determinations.

While this may remove a few areas from the state's current register of Landscaped Freeway sections, **no displays will be allowed in a declassified area unless they comply with all other provisions of state law and obtain all necessary local permits.**

***This bill would add minimal length and width to the Code's definition of landscaped freeway, hopefully eliminating the complaint of many cities that they are precluded from approving billboards by minimal plantings. It does not mandate any billboards be approved by a city or county.***

RELOCATIONS:

Communities have sought legislative exceptions to allow billboards along landscaped freeways. Many more have also sought administrative relief from Caltrans, but have been frequently turned down based on the Department's landscaped architects' subjective opinions (Regulations, Sec. 2508). While the new standards will remove the landscaped freeway prohibition on billboards in some small areas, there are communities that may seek to have displays placed in areas that will remain classified as landscaped.

Current law allows "relocations" of billboards on landscaped freeways within the same jurisdiction. However, many smaller communities do not have existing billboards that they can relocate; likewise, there are communities that would prefer that grandfathered displays within their communities are removed -- frequently because of public projects (if a display can be relocated, substantial eminent domain compensation can be avoided).

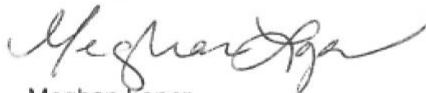
Caltrans has taken advantage of this relocation provision and has saved millions in compensation costs by allowing landscaped freeway displays to be "relocated" to different communities. However, local communities do not have this option. This bill will simply put local government on the same footing as Caltrans, and allow relocations to any community which will permit them.

The Act does allow relocations of legally placed displays within the same jurisdiction; however, it does not allow jurisdiction to jurisdiction relocations. ***This bill would allow city to city relocations, without increasing the total number of displays in landscaped areas statewide.***

This bill will help standardize Landscaped Freeway determinations throughout the state, potentially save millions in condemnation costs and give cities that desire displays a pathway to obtain them. The most recent amendments incorporate technical feedback from Caltrans. This bill had no opposition in policy committee. There has been recent opposition from an anti-billboard group in San Diego. However, it is unclear whether the opponents understand that no billboard can be built placed under this section without local entity approval.

CSOAA respectfully requests your signature on Assembly Bill 3168 by Assemblymember Rubio.

Sincerely,



Meghan Loper  
Legislative Advocate, California State Outdoor Advertising Association

cc: The Honorable Blanca Rubio, Assemblymember  
Ronda Paschal, Deputy Legislative Secretary

**MATERIALS TO BE DISTRIBUTED AT THE MEETING**

**Bylaws & Governance Discussion**

**Election of Officers & Board of Directors**

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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 filed a brief in response 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, concluding 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 that the warning, which would have covered 20% of any outdoor advertisement, was unduly burdensome.

On October 17, 2017, San Francisco filed a petition for the panel or en banc rehearing. On October 11, 2017, the panel “directed” appellants to file a response to appellee’s petition for

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panel rehearing or rehearing en banc, which ABA timely filed on behalf of both itself and CSOAA on November 21, 2017.

On January 1, 2018, upon the vote of a majority of non-recused active judges, the Court ordered that the case be reheard en banc, and noted that the “[t]he three-judge panel disposition ... shall not be cited as precedent by or to any court of the Ninth Circuit.”

On March 21, 2018, the case was “submitted on the briefs” to the en banc panel. The next day, on March 22, the en banc court issued a notice that “[p]roceedings in this case are stayed pending the Supreme Court’s decision in *National Institute of Family & Life Advocates v. Becerra*” (“*NIFLA*”) as that case addressed overlapping issues on *Zauderer*’s application. Following publication of *NIFLA*, the en banc court on June 27, 2018 ordered the parties “to file supplemental briefs addressing the effect of” that decision, which the parties timely filed on July 17, 2018.

On September 25, 2018 the case was argued and submitted to the en banc panel (Judges Hurwitz, Christen, Ikuta, Fletcher, W. Nelson, Thomas (presiding), Graber, Berzon, Murguia, Nguyen, and Owens) at oral argument in Pasadena, California. Richard Bress of Latham and Watkins LLP argued on behalf of ABA, CSOAA and CRA. Jeremy M. Goldman, a city attorney, represented the City.

It was a very active bench that asked several questions of both sides. The majority of the panel’s questions unsurprisingly concerned whether the warning fulfilled *Zauderer*’s requirements that the message be of “purely factual and uncontroversial” information and not “unduly burdensome.” Overall, the questioning suggested that the panel will find it difficult to reach agreements on the whether the warning is “purely factual and uncontroversial,” and some Judges suggested the warning could be “fixed” by some artful redrafting by the City. Notably, however, in response to questions from Chief Judge Thomas, the City conceded that the Warning was inaccurate as to type 1 diabetes because it is a hereditary condition and not caused by consumption of calories or sugar, in fact sugary beverages are the quickest way to get essential

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sugar into bloodstream for people suffering from this condition and could actually save their life. This was a significant concession by the City because as written the Warning is not accurate.

The majority of the panel did seem to believe that the warning was unduly burdensome, and several Judges expressed interest in ruling on undue burden without reaching the more complex “purely factual and uncontroversial” inquiry. While it is difficult to predict the outcome from argument alone, looking solely to the Judges’ attitudes during the proceedings, it is possible the panel will garner a majority of Judges to conclude the warning presents an undue burden and would unduly chill speech without justification. That would allow the panel to sidestep the difficult issues attendant to the “purely factual and controversial” inquiry.

But the bottom line is that CSOAA now is awaiting the en banc panel’s written decision. While the timing of that decision is hard to predict, such opinions typically at least take several months to be rendered. Until then, the Ordinance continues to be without any force.