

Date of Hearing: April 12, 2016

ASSEMBLY COMMITTEE ON ARTS, ENTERTAINMENT, SPORTS, TOURISM, AND
INTERNET MEDIA

Kansen Chu, Chair

AB 2559 (Frazier) – As Amended March 18, 2016

SUBJECT: Tourist-oriented directional signs: visitor centers.

SUMMARY: This bill would require Department of Transportation (Caltrans) to authorize tourist-oriented directional signs (TODS) for any visitor center that is located within 2 miles from the highway intersection, as specified.

Specifically, **this bill** declares that the department shall authorize under this chapter tourist-oriented directional signs for any visitor's center seeking a sign if the visitor center is located within two miles from the highway intersection and that authorization otherwise meets the requirements of this chapter.

EXISTING LAW:

- 1) Provides that Caltrans is charged with ownership and operation of the state highway system.
- 2) Authorizes Caltrans to post various types of highway signs.
- 3) Establishes a TODS program within Caltrans, as specified, with a principle function of providing local tourist information.

FISCAL EFFECT: Unknown

COMMENTS:

- 1) *Author's statement of need for legislation: better visibility for tourist attractions.* According to the author's office, "In 1994, the Tourist-Oriented Directional Sign (TODS) Program was enacted. TODS authorizes the Department of Transportation to provide signage on freeway intersections that direct motorists to various attractions, including but not limited to, wineries, gift shops, restaurants, service stations, etc. The original intent of TODS was to increase the visibility of rural businesses and tourist attractions. Many motorists and vacationers may not be familiar with attractions and destinations in a given area.

"Studies show that 209.8 million leisure trips were taken in California in 2015. Direct travel spending from those trips totaled \$120.8 billion, a 2.8% jump from 2014. This travel spending directly supported 1,058,000 jobs with earnings of \$40.1 billion. Additionally, travel spending in 2015 generated \$4.5 billion in local tax revenue and \$5.2 billion in state tax revenue. Forecasts for 2016 travel indicates a total of 214.6 million leisure trips, an increase of 2.3% or 4.8 million trips. Forecasts also show a 2.7% increase in travel spending, totaling \$124.1 billion.

AB 2559 modifies the requirements for the location of tourist-based directional signs to visitor's centers within two miles from the highway rather than the current ½ mile distance. Expanding the TODS program to include additional visitor centers that do not have current

directional signs will increase motorists' awareness and accessibility to more of California's many attractions and destinations and will in turn generate further economic benefits to the state."

2) *Background:*

- a) *Proposal would alter existing regulation on TODS distance from highways.* This bill would specify that, "The department shall authorize under this chapter tourist-oriented directional signs for any visitor's center seeking a sign if the visitor center is located within two miles from the highway intersection and that authorization otherwise meets the requirements of this chapter." This new language to the code would alter existing Caltrans practice as contained in the California Manual on Uniform Traffic Control Devices (California MUTCD), which currently declares with regard to Tourist Information signage, that "Facilities should be within 0.5 miles of the highway..." (California MUTCD, Chapter 21, part 2I, p. 566).
- b) *How the California TODS program operates.* According to information contained on the Caltrans website, the following describes the TODS program:
- i) Tourist-Oriented Directional Signs (TODS) Program is a California sign program that was authorized by the California State Legislature through the passage of State Assembly Bill 2339 in 1994. The purpose of the program is to guide "out-of-town" travelers to California's tourist attractions. The Bill requires that Caltrans establish and charge a fee to place and maintain these generic TODS. Businesses such as wineries, gift shops, restaurants, arts and crafts shops, etc. can qualify if the eligibility requirements are met.
- (1) Signs are NOT allowed:
 - (2) On freeways and expressways
 - (3) On congested highways
 - (4) Within any city limits
 - (5) Within areas of population exceeding 50,000
 - (6) If the business is adjacent to and visible from the highway
 - (7) If business has on-premise or off-premise signing
- ii) The cost for one panel, one direction is \$400.00 for the initial permittee and Caltrans Maintenance maintains the sign panel(s), broken down as follows:
- (1) \$70.00 - Non-refundable eligibility/application fee
 - (2) \$30.00 - Annual Maintenance fee per panel per direction
 - (3) \$300.00 - Installation/Processing fee per panel per direction

- 3) *Prior related legislation.* AB 2339 (O'Connell), Chapter 572, Legislation of 1994, established the California TODS program in order to increase the visibility of rural businesses and tourist attractions, particularly those businesses not immediately visible from a state highway. According to the Assembly Transportation Committee analysis, "The rationale (for the bill) is that many motorists on vacation trips do not necessarily know what attractions and destinations exist in a given area. TODS are characterized by sponsors as being more effective and less expensive than other means of advertising, such as brochures,

visitor centers, etc." The same analysis notes that similar TODS programs have been implemented in a number of states and are sanctioned by the federal government.

- 4) *Double-referral*: Should this bill pass out of this committee, it will be re-referred to the Assembly Committee on Transportation.

REGISTERED SUPPORT / OPPOSITION:

Support

California Travel Association

Opposition

There is no opposition on file.

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