



January 20, 2022

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## HOUSE BILL No. 1262

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DIGEST OF HB 1262 (Updated January 19, 2022 8:07 pm - DI 75)

**Citations Affected:** IC 8-23.

**Synopsis:** Outdoor advertising signs. Provides that if a conforming outdoor advertising sign (sign) cannot be elevated or relocated within the market area due to a change along the interstate and primary system or any other highway, it is considered a total taking of a real property interest in the sign, including the sign structure. Provides that an owner is entitled to full and just compensation for the taking of a sign in the amount of the fair market value of the sign and any other property right associated with the sign. Requires an appraiser to calculate the fair market value of a sign using more than one valuation approach.

**Effective:** July 1, 2022.

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### Cherry, Pressel, Austin, Morris

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January 10, 2022, read first time and referred to Committee on Commerce, Small Business and Economic Development.  
January 20, 2022, amended, reported — Do Pass.

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HB 1262—LS 7030/DI 137





January 20, 2022

Second Regular Session of the 122nd General Assembly (2022)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2021 Regular Session of the General Assembly.

## HOUSE BILL No. 1262

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A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 8-23-20-25.6, AS ADDED BY P.L.222-2017,  
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2022]: Sec. 25.6. **(a) As used in this section, "market area"**  
4 **means a point within five hundred (500) feet of the prior location**  
5 **of an outdoor advertising sign.**  
6 ~~(a)~~ **(b)** This section applies only to a conforming outdoor advertising  
7 sign located along the interstate and primary system, as defined in 23  
8 U.S.C. 131(t) on June 1, 1991, or any other highway where control of  
9 outdoor advertising signs is required under 23 U.S.C. 131.  
10 ~~(b)~~ **(c)** If a conforming outdoor advertising sign is no longer visible  
11 or becomes obstructed, or must be moved or removed, due to a noise  
12 abatement or safety measure, grade changes, construction, directional  
13 sign, highway widening, or aesthetic improvement made by any agency  
14 of the state along the interstate and primary system or any other  
15 highway, the owner or operator of the outdoor advertising sign, to the  
16 extent allowed by federal or state law, may:  
17 (1) elevate the outdoor advertising sign; or

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1 (2) relocate the outdoor advertising sign to a point within five  
 2 hundred (500) feet of its prior location, if the outdoor advertising  
 3 sign complies with the applicable spacing requirements and is  
 4 located in land zoned for commercial or industrial purposes or  
 5 unzoned areas used for commercial or industrial purposes.

6 **Notwithstanding subsections (d) and (g), if a conforming outdoor**  
 7 **advertising sign cannot be elevated or relocated within the market**  
 8 **area, the removal or relocation of the conforming outdoor**  
 9 **advertising sign constitutes a total taking of a real property**  
 10 **interest, including the sign structure, and the owner must be**  
 11 **compensated under section 27 of this chapter.**

12 ~~(e)~~ (d) Subject to subsection ~~(f)~~; (g), the county or municipality,  
 13 under IC 36-7-4, may, if necessary, provide for the elevation or  
 14 relocation by ordinance for a special exception to the zoning ordinance  
 15 of the county or municipality.

16 ~~(d)~~ (e) The elevated outdoor advertising sign or outdoor advertising  
 17 sign to be relocated shall be the same size as the previous outdoor  
 18 advertising sign and, to the extent allowed by federal or state law, may  
 19 be modified to:

- 20 (1) elevate the sign to make the entire advertising content of the  
 21 sign visible; and  
 22 (2) an angle to make the entire advertising content of the sign  
 23 visible.

24 ~~(e)~~ (f) This section does not exempt an owner or operator of a sign  
 25 from submitting to the department any application or fee required by  
 26 law.

27 ~~(f)~~ (g) If the county or municipality does not amend its zoning  
 28 ordinance as necessary to provide for a special exception to the zoning  
 29 ordinance under subsection ~~(e)~~; (d), notwithstanding IC 8-23-20-10, the  
 30 county or municipality is responsible for the payment for just and full  
 31 compensation to an owner under IC 32-24.

32 SECTION 2. IC 8-23-20-27 IS ADDED TO THE INDIANA CODE  
 33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 34 1, 2022]: **Sec. 27. (a) This section applies to a taking of an outdoor**  
 35 **advertising sign through:**

- 36 (1) the power of eminent domain under IC 32-24; or  
 37 (2) a change that prohibits a conforming outdoor advertising  
 38 sign from being elevated or relocated under section 25.6 of  
 39 this chapter.

40 (b) As used in this section, "condemnor" means:

- 41 (1) any person authorized by Indiana law to exercise the  
 42 power of eminent domain; and



1           **(2) an agency of the state that must provide compensation to**  
2           **the owner of a conforming outdoor advertising sign under**  
3           **section 25.6 of this chapter.**

4           **(c) As used in this section, "outdoor advertising sign" means a**  
5           **sign that is located along the interstate and primary system, as**  
6           **defined in 23 U.S.C. 131(t) on June 1, 1991, or any other highway**  
7           **where control of outdoor advertising signs is required under 23**  
8           **U.S.C. 131.**

9           **(d) A condemnor that acquires an outdoor advertising sign and**  
10          **its associated rights under this section shall pay full and just**  
11          **compensation to the owner of the outdoor advertising sign in an**  
12          **amount equal to:**

13           **(1) the fair market value of the outdoor advertising sign; and**  
14           **(2) the fair market value of any other property right**  
15           **associated with the outdoor advertising sign, including, but**  
16           **not limited to, leasehold interests and access rights.**

17          **(e) An appraiser shall calculate the fair market value under**  
18          **subsection (d) using:**

19           **(1) more than one (1) valuation approach; and**  
20           **(2) the standards governing recognized valuation approaches**  
21           **to fair market value.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Small Business and Economic Development, to which was referred House Bill 1262, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 9, after "taking" insert "**of a real property interest, including the sign structure,**".

and when so amended that said bill do pass.

(Reference is to HB 1262 as introduced.)

MORRIS

Committee Vote: yeas 12, nays 0.

