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To: Assembly Committee on Transportation
From: Toni Herkert, Government Affairs Director, and Evan Miller, Government Affairs Specialist
League of Wisconsin Municipalities
Date: November 12, 2025
RE: Assembly Bill 502 - Nonconforming Outdoor Advertising Signs

Chairman VanderMeer, Vice-Chair Spiros, and Committee Members,

The League of Wisconsin Municipalities is a nonpartisan, nonprofit membership organization that advocates for the interests of our over 600 member cities and villages, large and small, urban and rural, throughout the state.

Thank you for the opportunity to provide testimony today in opposition to 2025 Assembly Bill 502 as introduced. First, we would like to express our appreciation to the authors and stakeholders for listening to the concerns raised by the League and our members on last session's proposal, 2023 Assembly Bill 486. The legislation being considered today incorporates changes to address some of the issues flagged in last session's proposal. While we've seen notable progress in the repositioning aspects of this bill, the League still has concerns remaining with the bill as introduced that we'll elaborate on below.

First, we'd point to the expansion of the scope of this legislation as compared to current law. Presently, only projects undertaken by the Wisconsin Department of Transportation (WisDOT) fall under the provisions of s. 84.30 (5r), Wis. Stats., on nonconforming signs that are realigned because of state highway projects. It's our belief that this scope is properly constructed to set a uniform process for state projects while allowing local governments to work with sign owners in a less rigid and more collegial arrangement to resolve any issues posed to sign owners by that local project. However, AB 502 expands that scope to any transportation project for which state or federal funds were allocated.

Local Road Improvement Program (LRIP) state grants and Better Utilizing Investments to Leverage Development (BUILD) federal grants are two of many programs that municipalities utilize to fund local road projects. Recipients of these grants are not currently bound by s. 84.30 (5r), but under AB 502, would be required to comply with these requirements. This substantial expansion of the scope and the process proposed for the resolution of sign owner concerns will raise local costs, disincentive projects along roads with outdoor advertising signs, and could impede needed improvements to local roads. The League requests that the scope of projects covered is narrowed to state projects in line with existing law.

Second, under current law, if an outdoor advertising sign must be condemned as it cannot reasonably be repositioned, the cost of condemnation is generally the fair market value of the loss. In the reconstruction of a road or highway, property may be taken as the roadway needs to be expanded or otherwise altered for the flow of traffic and safety of motorists and pedestrians. Any property taken is generally compensated at fair market value. AB 502 creates a separate process for outdoor advertising signs that could substantially increase the condemnation amounts, ultimately creating biased treatment for sign owners compared to other residents and business owners that had their property impacted by the transportation project.

The League raises concerns on this provision not just because of the increased cost to local governments for transportation projects – increased costs which come at a time when cities and villages are already struggling to maintain deteriorating roadways with ever-tightening constraints on local budgets – but due to the unfair treatment of other property owners that had their parcel or a portion of their parcel condemned in a transportation project. Further, we'd raise concerns that the elements which must be considered, such as the loss in value to other signs and loss of the right to erect a sign, may be hard to quantify. The League requests that the condemnation provisions are removed from this legislation.

Third, the League raised concerns last session that the repositioning of an outdoor advertising sign could lead to the sign being converted from a traditional billboard into a digital sign. Digital signs have been shown to be more distracting to motorists, and in dense population areas, the light pollution caused by digital signs could be a concern to nearby residents and businesses. We read sub. 3. in Section 12 to mean that the sign may not be changed from a traditional billboard to a digital sign. However, the language is not explicit, leaving room for interpretation of this provision. The League would request that language is added to sub. 3. stating that characteristics includes, but is not limited to, the medium of the advertising.

Fourth, Section 14 of the legislation requires that a repositioned nonconforming sign under an agreement with a municipality must receive compensation for the costs of repositioning the sign. The increased costs of transportation projects under this legislation have already been discussed, but setting that issue aside, two concerns still remain with this provision. If a municipality, in discussions with the owner of a nonconforming outdoor advertising sign, is going to be faced with a financial burden of sign repositioning or sign condemnation, even with the higher price tag of condemnation, they may often choose that option as costs are incurred regardless. Owners of outdoor advertising signs should have the opportunity to negotiate with municipalities and waive those costs as part of the repositioning negotiations. The League would request this change that we believe would be a benefit to both the sign owner and the municipality.

Additionally, if a sign is repositioned not because of a condemnation of the underlying property requiring the sign to be removed or otherwise relocated but rather because of a visibility obstruction due to a new bridge, road signage, noise barrier, or other transportation improvement, municipalities should not be responsible for the cost of repositioning the sign. Courts have already ruled that there is no right to visibility of private property from a road in the absence of a physical taking. While municipalities and sign owners could still negotiate on the raising or other repositioning of an outdoor advertising sign, municipalities should not be responsible for the repositioning costs due to visibility concerns when the sign may remain in its current position unimpeded by the roadway project. The League would request that a change is made to Section 14 regarding when compensation is due under these circumstances.

Fifth and finally, last session's bill sparked concerns from WisDOT that passage of the legislation as proposed could result in the state being out of compliance with the federal Highway Beautification Act. We have not spoken with the Department on whether AB 502 would resolve those concerns, but if this legislation could again raise questions about federal compliance, we could be at risk of losing roughly $57 million per year in federal transportation aid. At a time when our segregated Transportation Fund is continually running a deficit prior to General Fund transfers just to maintain existing needs, the loss of federal funding would be a significant concern as we look to keep existing projects on track.

The League appreciates that concerns we raised with 2023 AB 486 have been addressed in AB 502. However, additional changes have been made between adjournment last session and the circulation of this legislation. The League was not included in the discussions in preparing this session's proposal, and we believe we could have resolved some of these concerns prior to introduction if given the opportunity. We would be happy to work with the authors and stakeholders on an amendment to address these concerns.

We appreciate your consideration of the League's comments on AB 502. If you have any questions, you may contact Toni Herkert at therkert@lwm-info.org or Evan Miller at emiller@lwm-info.org.