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House Bill 1863 Testimony

Texas State House of Representatives Transportation Committee Public Hearing

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Chairman Canales and members of the House Transportation Committee, thank you for allowing me to be here today on behalf of the City of Houston to address the importance of House Bill 1863.

House Bill 1863 would provide much needed strengthening of Section 393.007 of the Transportation Code, which addresses illegal signs placed in the public rights-of-way and civil penalties for violators of such. These signs are often referred to as “bandit signs” and present an on-going problem in the City of Houston. It costs the city approximately \$282,000.00 annually to collect and remove these signs from the City’s rights-of-way, curbs, medians, and light poles. Annually, the City collects nearly 30,000 illegal signs and receives around 2,000 service calls regarding them. Frequently these illegal signs are deliberately placed in the City’s minority and/or economically distressed neighborhoods.

I am a senior attorney for the City of Houston in the Litigation Section. Our office has begun filing civil lawsuits against habitual sign offenders under the authority provided in Section 393.007 (b) of the Transportation Code. These are not lawsuits against mom and pop small businesses who simply made a mistake with their sign placement, have been educated by the City’s enforcement officers, and are now complying. These lawsuits have only been utilized for repeat offenders who continue to place illegal signs in the rights-of-way and show no remorse or

indication of stopping even after multiple citations issued to them and repeated warnings given by the City's code enforcement officers.

We have had success in litigating these lawsuits and collecting civil penalties against these habitual and egregious illegal sign violators. However, the City is limited in how much it may petition the court to assess in monetary penalties against these habitual sign offenders. State law under this section of the transportation code currently limits the penalties that may be ordered by the courts to \$1000 per violation. This has served as an effective deterrent for some offenders; however, we are finding that for the bigger and more problematic offenders, this cap in penalties is not strong enough to prevent their continued placement of the illegal signs across the City.

For example, if a habitual sign offender is cited for 30 illegal sign violations, the City may file its civil lawsuit and ask the court for judgment against the sign offender for only up to \$30,000. For the large-scale, well-financed sign offenders, this is merely a "cost of doing business" and not a deterrent. However, if the changes in this bill before you are implemented, the civil lawsuit our office would file against that same offender with 30 violations could result in penalties of over \$125,000 against the same habitual sign offender - a more effective deterrent to the most problematic offenders.

The second amendment to Section 393.007 (a) expands the definition of who may be named as an offending party for illegal sign violations by adding that a person whose commercial advertisement is placed on sign also be liable for a civil penalty. This eliminates a common enforcement issue and potential defense in litigation where businesses may claim to have no knowledge of how their illegal bandit signs are produced or distributed. This added language ensures legal responsibility falls to the businesses directly benefiting from these illegal signs by

allowing the city to name these businesses as a defendant and pursue penalties directly against them. Ultimately this creates another incentive for compliance.

In closing, let me reiterate this is a problem the City of Houston is actively combatting. From 2021 to present, approximately 1,258 illegal sign citations have been issued by the city and 24% of those have been to one repeat offender who has made it clear that the current fines and civil penalties able to be assessed against him are minor and just considered a “cost of doing business.” We need the tools to address these recalcitrant habitual offenders. The increased penalties proposed in this legislation will provide that and help the City fight this ongoing problem and create safer and better communities without the blight caused by illegal signs.

HB 1862 is respectfully supported by the City of Houston for these reasons stated today. The City and I would like to thank Chairman Canales and the remainder of the committee for your favorable consideration of this proposed legislation.