

Department of Legislative Services
2011 Session

FISCAL AND POLICY NOTE

House Bill 109

(Chair, Environmental Matters Committee)(By Request -
Departmental - Transportation)

Environmental Matters

Finance

**Transportation - Outdoor Signs Along Federal-Aid Primary Highways - Scenic
Byways**

This departmental bill prohibits the State Highway Administration (SHA) from issuing specified outdoor sign permits for signs along or near a scenic byway located on a federal-aid primary highway. The term “federal-aid primary highway” is modified to include any State highway that is part of the national federal-aid primary system as of June 1, 1991, or any highway on the National Highway System. A “scenic byway” is a transportation corridor designated by SHA as having special scenic, historic, recreational, cultural, archaeological, or natural qualities that have been recognized as such through legislation or some other official declaration.

Fiscal Summary

State Effect: While the bill is not expected to significantly affect State finances, failing to control outdoor advertising along scenic byways could lead to the loss of 10% of most federal highway aid.

Local Effect: While the bill is not expected to significantly affect local finances, failing to control outdoor advertising along scenic byways may jeopardize the approximately \$1.5 million in annual federal scenic byway program funding allocated to local jurisdictions.

Small Business Effect: The Maryland Department of Transportation (MDOT) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: A person may not erect or maintain any outdoor sign along or near any federal-aid primary highway, unless the person has been issued a permit. Such permits may not be issued for signs that:

- imitate or resemble any official traffic sign, signal, or device;
- are erected or maintained on any tree or painted or drawn on any rock or other natural feature;
- are erected or maintained in a way that obscures or interferes with (1) the effectiveness of an official traffic sign, signal, or device; or (2) a driver's view of approaching, merging, or intersecting traffic; or
- are located within 250 feet of any public park, public forest, playground, or cemetery that is adjacent to a federal-aid primary highway.

Federal law and regulations require states to control advertising on the sides of federally funded highways. Failure to control the outdoor advertising may result in a state losing federal highway aid.

Background: The National Scenic Byways Program was established under the Intermodal Surface Transportation Efficiency Act of 1991, and reauthorized in 1998 under the Transportation Equity Act for the 21st Century. Under the program, the U.S. Secretary of Transportation recognizes certain roads as National Scenic Byways or All-American Roads based on their archaeological, cultural, historic, natural, recreational, and scenic qualities. There are 150 such designated byways in 46 states.

SHA operates the State's Scenic Byway Program, which designates byways, provides byway grant funding, and establishes guidelines for byways. Maryland has designated 19 State scenic byways that encompass 2,487 miles of roads and illustrate the State's scenic beauty, history, and culture.

MDOT advises the bill makes State statute consistent with federal regulations that control outdoor advertising along scenic byways, effectively helping the State avoid a potential loss of federal funding.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - February 3, 2011
mc/lgc

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Transportation — Outdoor Signs Along Federal – Aid Primary
Highways - Scenic Byways

BILL NUMBER: HB 109

PREPARED BY: Maryland Department of Transportation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL
BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

While this may affect some small businesses along these roadways, the bill would not impact on-premise signing.