

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE
Revised

House Bill 286 (Delegates O'Donnell and Fisher)

Environment and Transportation

Judicial Proceedings

Calvert and St. Mary's Counties - Scenic Byways - Signs

This bill authorizes the State Highway Administration (SHA) to, in conformance with federal law, issue a permit for an outdoor sign along or near a scenic byway located on a federal-aid primary highway in Calvert and St. Mary's counties if the sign (1) was erected on or before January 1, 2008 or (2) is a directional sign for a facility that sells principally local agricultural or aquacultural products and is within a five-mile radius of the sign. Such a sign must be erected and maintained in a manner that is safe and does not detract from the scenic or cultural character of the scenic byway. SHA must develop a plan and appropriate policies to implement the bill by October 1, 2015.

The bill take effect June 1, 2015.

Fiscal Summary

State Effect: Although the bill does not *require* SHA to issue sign permits, the Federal Highway Administration (FHWA) has advised SHA that issuing any such permits conflicts with federal law, which could result in the loss of up to 10% of most federal highway aid (approximately \$58 million). Therefore, it is assumed that SHA does not issue any permits under the bill. Although the bill also *requires* SHA to develop a plan and appropriate policies to implement the bill by October 1, 2015, it is assumed that any plan or policies developed by SHA cannot be implemented since the bill conflicts with federal law.

Local Effect: The bill does not materially affect local operations or finances.

Small Business Effect: None. As noted above, since the bill conflicts with federal law, it is assumed that SHA does not issue any permits under the bill.

Analysis

Current Law: SHA may not issue a permit for any outdoor sign along or near any federal-aid primary highway if the sign:

- imitates or resembles an official traffic sign, signal, or device;
- is erected or maintained on any tree or painted or drawn on any rock or other natural feature;
- is erected or maintained in a way that obscures or otherwise interferes with the effectiveness of an official traffic sign, signal, or device;
- is erected or maintained in a way that obstructs or interferes with a driver's view of approaching, merging, or intersecting traffic or is located within 250 feet of any public park, public forest, playground, or cemetery that is adjacent to a federal-aid primary highway; or
- is along or near a scenic byway located on a federal-aid primary highway.

A person may not erect or maintain any outdoor sign along or near a federal-aid primary highway, unless the person has been issued a permit.

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

Federal law prohibits the erection of any sign along a designated scenic byway, unless the sign is (1) a directional and official sign or notice pertaining to specified locations that include natural wonders, scenic attractions, and historical attractions; (2) advertising the sale or lease of property on which the sign is located; (3) advertising activities conducted on the property on which they are located; (4) a sign that was lawfully in existence on October 22, 1965, if the sign meets specified conditions; or (5) advertising the distribution by a nonprofit organization of free coffee to individuals traveling on the interstate system.

Background: Numerous federal and State requirements impact how and where outdoor advertising occurs along highways. In addition, many local zoning and sign ordinances dictate the size, illumination, and location of signs. Some local jurisdictions prohibit new off-premise outdoor advertising signs altogether. When SHA does issue permits, the requirements vary depending on whether the sign is for a business located on the property on which the sign will be placed (on-premise) or for businesses located elsewhere (off-premise). SHA sign permit fees range from \$10 to \$35 per advertising face, and outdoor advertising license fees range from \$50 to \$700 per advertising face. Permits and licenses must be renewed annually.

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 about 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 18 State scenic byways that encompass 2,487 miles of roads and illustrate the State's scenic beauty, history, and culture.

Additional Information

Prior Introductions: HB 852 of 2014, a bill with similar provisions, received a hearing in the House Environmental Matters Committee, but no further action was taken.

Cross File: None.

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

Fiscal Note History: First Reader - February 16, 2015
md/lgc Revised - House Third Reader/Updated Information - March 30, 2015

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