

Department of Legislative Services  
Maryland General Assembly  
2008 Session

FISCAL AND POLICY NOTE

House Bill 921 (Delegate Pena-Melnyk, *et al.*)  
Environmental Matters

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State Highway Administration - Unauthorized Signs on Rights-of-Way

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This bill prohibits the placement of signs on State highway rights-of ways without authorization from the State Highway Administration and establishes a civil penalty of \$1,000 for violations. SHA, a law enforcement officer, or a local government may remove and destroy any unauthorized signs without a court order. SHA or local governments may collect the costs of sign removal or destruction and request that the Attorney General seek an injunction against further violations. The bill provides for the original jurisdiction of the District Court for any civil cases arising from violations.

For enforcement purposes, the presence of any advertisement, sign, or other writing upon a public highway or adjacent private property is *prima facie* evidence that it was placed at the direction of, or with the consent and approval of, the party whose name, business, location, or merchandise is advertised on it.

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Fiscal Summary

**State Effect:** Transportation Trust Fund revenues could increase under the bill's monetary penalty in actions brought on behalf of SHA. Special fund expenditures could decrease under the bill's provision allowing the recovery of the removal costs.

**Local Effect:** Potential increase in revenues for local governments who elect to impose a civil penalty or seek recovery of costs for the removal of illegal signs within their jurisdiction.

**Small Business Effect:** None.

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## Analysis

**Current Law:** Subject to specified exceptions, a person may not erect or maintain any outdoor sign outside the limits of any municipal corporation and within 500 feet of a State highway unless the person has a permit issued by SHA for that sign.

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. Federal law requires states to control advertising on the sides of federally funded highways. Failure to control the outdoor advertising could potentially result in the loss of 10% of all federally funded highway aid.

**State Fiscal Effect:** TTF revenues could increase due to the bill's civil penalty provision. The bill sets a civil penalty of \$1,000 for the illegal placement of signs, which would accrue to SHA.

Additionally, special fund expenditures could potentially be reduced due to the provision allowing for the recovery of the removal costs. SHA estimates that approximately \$600,000 is spent annually to remove unauthorized signs. Special fund expenditures would decrease depending on the extent to which SHA seeks the recovery of removal costs.

Any increase in the workload for the Judiciary or the Office of the Attorney General could be handled with existing resources.

**Local Fiscal Effect:** Revenues could increase for local governments who elect to seek recovery of costs for the removal of illegal signs within their jurisdiction. Some jurisdictions, such as Montgomery County, advise the removal of signs within their jurisdictions are not a responsibility they will assume, and therefore predict no fiscal impact. Other jurisdictions, such as Carroll County, advise they cannot reliably estimate a fiscal impact, as they are unable to predict how often or how many hours they will spend removing signs. Local government revenues could also increase to the extent that civil penalties are imposed by local governments against violators and recovered in the District Court.

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## Additional Information

**Prior Introductions:** SB 155 of 2005, a substantially similar bill, received an unfavorable report in the Senate Judicial Proceedings Committee.

**Cross File:** None.

**Information Source(s):** City of Westminster, Town of Bel Air, City of Salisbury, Montgomery County, Prince George's County, Caroline County, Howard County, Judiciary (Administrative Office of the Courts), Department of Natural Resources, Town of Riverdale Park, Town of Leonardtown, Maryland Department of Transportation, Baltimore City, Office of the Attorney General, Carroll County, Department of Legislative Services

**Fiscal Note History:** First Reader - March 9, 2008  
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