FISACAL

HIGHWAY SIGN REQUIREMENTS

Senate Bill 953 (as passed by the Senate) Sponsor: Sen. Tom Casperson House Committee: Transportation and Infrastructure Senate Committee: Transportation Complete to 12-5-16

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Analysis available at http://www.legislature.mi.gov

SUMMARY:

Senate Bill 953 would amend the Highway Advertising Act (MCL 252.302, et al.) to do all of the following:

- Allow a person to trim or remove trees or shrubs within the right-of-way of a primary highway for the purpose of making an existing sign more visible, if (1) the trees or shrubs are within 500 feet of the sign and located in a county having a population of not less than 750,000; and (2) the primary highway borders two counties each having a population of not less than 750,000.
- Revise the conditions that apply to an annual permit that is issued when a sign or sign structure becomes subject to the act's permit requirements for a reason outside the owner's control.
- Allow the owner of a digital billboard that was legally erected, or who applied before August 1, 2015, for a digital billboard permit that was revoked or denied, to apply for a digital billboard permit.
- Require an individual to apply for, and require the Department of Transportation to issue, a digital billboard permit if the individual obtained approval to convert an existing billboard to a digital billboard from the department and the local unit of government by January 1, 2016.
- Extend a January 30, 2015, deadline for an owner who applied for a digital billboard permit but had not received approval from local unit of government. The extension would be equal to the time elapsed between the date of application and the date of approval. The owner would not be required to surrender three interim permits, under specific circumstances.
- Delete a provision under which the overall height of a nonconforming sign structure may not be increased.
- Allow the website address and telephone number of an activity or attraction to be displayed on a sign that was issued a permit for a publicly or privately owned activity or attraction that is nationally or regionally known.

- Include public school property in the definition of "unzoned commercial or industrial area."
- Specify that a "billboard viewing zone" is to be measured from the billboard face intended for viewing, and would include a highway median.

FISCAL IMPACT:

Revenue from billboard permit fees issued by the Michigan Department of Transportation (MDOT) are credited to State Trunkline Fund (STF). STF revenue is appropriated for preservation of the state trunkline highway system and for MDOT administration, including costs of administering the right-of-way and highway sign permit programs. In FY 2014-15 STF revenue from highway billboard permit fees totaled \$1.2 million, of which \$161,300 related to billboard permit transfer fees and vegetation removal permits. An additional \$88,500 was credited to the STF from penalties assessed on billboard permit violations.

Preliminary FY 2015-16 figures indicate that STF revenue from highway billboard permit fees totaled \$1.0 million, of which \$142,200 related to billboard permit transfer fees and vegetation removal permits. An additional \$68,200 was credited to the STF from penalties assessed on billboard permit violations.

Senate Bill 953 could reduce permit fee revenue for credit to the STF by an indeterminate amount. MDOT is opposed to Senate Bill 953.

Legislative Analyst: E. Best Fiscal Analyst: William Hamilton

[•] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.