

SENATE BILL 805

R1

3lr0824

By: **Senator Klausmeier**

Introduced and read first time: February 1, 2013

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation – State Highway Administration – Sale or Lease of Highway**
3 **Naming Rights**

4 FOR the purpose of authorizing the State Highway Administration to sell or lease to a
5 private entity the naming rights for a State highway or any part of a State
6 highway; requiring the term of a contract for the sale or lease of naming rights
7 for a State highway to be at least a certain period; prohibiting the State
8 Highway Administration from selling or leasing highway naming rights under
9 this Act unless the Administration makes a certain determination regarding
10 compliance of the proposed use of the naming rights with federal regulations
11 and the distribution of certain federal funds; providing that a sale or lease of
12 naming rights for a State highway may not be construed to require that any
13 highway sign or mailing address be altered; authorizing a private entity that
14 purchases or leases the naming rights for a State highway to erect certain
15 outdoor signs along the highway; requiring a private entity that erects outdoor
16 signs along a State highway under this Act to pay all costs associated with the
17 signs; requiring outdoor signs erected by a private entity along a State highway
18 to comply with certain requirements; requiring proceeds from the sale or lease
19 of naming rights for a State highway to be credited to the Transportation Trust
20 Fund; defining certain terms; and generally relating to the sale or lease of
21 naming rights for State highways.

22 BY repealing and reenacting, without amendments,
23 Article – Transportation
24 Section 8–604
25 Annotated Code of Maryland
26 (2008 Replacement Volume and 2012 Supplement)

27 BY adding to
28 Article – Transportation
29 Section 8–604.1

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2008 Replacement Volume and 2012 Supplement)

3 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
4 MARYLAND, That the Laws of Maryland read as follows:

5 **Article – Transportation**

6 8–604.

7 The Administration may name or rename any State highway.

8 **8–604.1.**

9 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
10 MEANINGS INDICATED.

11 (2) “ERECT” HAS THE MEANING STATED IN § 8–701 OF THIS
12 TITLE.

13 (3) “OUTDOOR SIGN” HAS THE MEANING STATED IN § 8–701 OF
14 THIS TITLE.

15 (4) “PRIVATE ENTITY” INCLUDES AN INDIVIDUAL, A
16 CORPORATION, A GENERAL OR LIMITED PARTNERSHIP, A LIMITED LIABILITY
17 COMPANY, A JOINT VENTURE, A BUSINESS TRUST, A PUBLIC BENEFIT
18 CORPORATION, A NONPROFIT ENTITY, OR ANY OTHER BUSINESS ENTITY.

19 (B) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,
20 THE ADMINISTRATION MAY SELL OR LEASE TO A PRIVATE ENTITY THE NAMING
21 RIGHTS FOR A STATE HIGHWAY OR ANY PART OF A STATE HIGHWAY.

22 (II) THE ADMINISTRATION MAY NOT SELL OR LEASE TO A
23 PRIVATE ENTITY THE NAMING RIGHTS FOR A STATE HIGHWAY UNLESS THE
24 ADMINISTRATION DETERMINES THAT THE PROPOSED USE OF THE NAMING
25 RIGHTS AND SIGNAGE ASSOCIATED WITH THE PROPOSED USE OF THE NAMING
26 RIGHTS ARE IN COMPLIANCE WITH FEDERAL REGULATIONS GOVERNING THE
27 DISTRIBUTION OF FEDERAL HIGHWAY FUNDS TO THE STATE.

28 (2) THE TERM OF A CONTRACT THAT THE ADMINISTRATION
29 ENTERS INTO UNDER THIS SUBSECTION SHALL BE AT LEAST 1 YEAR.

30 (C) A SALE OR LEASE OF NAMING RIGHTS UNDER THIS SECTION IS
31 SOLELY FOR PUBLIC RELATIONS OR ADVERTISING PURPOSES AND MAY NOT BE

1 CONSTRUED TO REQUIRE THAT ANY HIGHWAY SIGN OR MAILING ADDRESS BE
2 ALTERED.

3 (D) (1) A PRIVATE ENTITY THAT PURCHASES OR LEASES NAMING
4 RIGHTS FOR A STATE HIGHWAY OR ANY PART OF A STATE HIGHWAY UNDER THIS
5 SECTION MAY ERECT OUTDOOR SIGNS ALONG THE HIGHWAY FOR THE PURPOSE
6 OF ADVERTISING THE DESIGNATION AND THE PRIVATE ENTITY.

7 (2) ALL COSTS ASSOCIATED WITH OUTDOOR SIGNS ERECTED
8 UNDER THIS SUBSECTION SHALL BE PAID BY THE PRIVATE ENTITY THAT
9 PURCHASES OR LEASES THE NAMING RIGHTS FOR A STATE HIGHWAY,
10 INCLUDING THE COSTS OF CONSTRUCTION, INSTALLATION, OPERATION,
11 MAINTENANCE, AND REMOVAL OF THE SIGNS.

12 (3) OUTDOOR SIGNS UNDER THIS SUBSECTION:

13 (I) MAY NOT BE ERECTED WITHOUT PRIOR APPROVAL BY
14 THE ADMINISTRATION;

15 (II) MAY NOT DETRACT FROM THE SAFETY OF THE
16 TRAVELING PUBLIC, AS DETERMINED BY THE ADMINISTRATION;

17 (III) SHALL BE AESTHETICALLY APPROPRIATE, AS
18 DETERMINED BY THE ADMINISTRATION;

19 (IV) MAY NOT INCLUDE A NAME THAT IN THE JUDGMENT OF
20 THE ADMINISTRATION:

21 1. IS PROFANE, OBSCENE, OR VULGAR;

22 2. IS SEXUALLY EXPLICIT OR GRAPHIC;

23 3. RELATES TO EXCRETORY FUNCTIONS;

24 4. IS DESCRIPTIVE OF THE GENITALS OR OTHER
25 INTIMATE PARTS OF A BODY;

26 5. RELATES TO OR DESCRIBES ILLEGAL ACTIVITIES
27 OR SUBSTANCES;

28 6. CONDONES OR ENCOURAGES VIOLENCE; OR

1 **7. IS SOCIALLY, RACIALLY, OR ETHNICALLY**
2 **OFFENSIVE OR DISPARAGING; AND**

3 **(V) ARE SUBJECT TO THE REQUIREMENTS OF SUBTITLE 7**
4 **OF THIS TITLE AND ANY OTHER LAW GOVERNING OUTDOOR SIGNS.**

5 **(E) PROCEEDS FROM THE SALE OR LEASE OF NAMING RIGHTS UNDER**
6 **THIS SECTION SHALL BE CREDITED TO THE TRANSPORTATION TRUST FUND.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 2013.