

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: SB995

House of Origin	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Enrolled

2. Patron: Carrico

3. Committee: Passed both houses

4. Title: Regulation of outdoor advertising in sight of public highways; exceptions.

5. Summary: Provides that signs that are related to public safety, provide directional information, or provide public information may be situated or installed in highway rights of way. The bill provides that any signs other than those related to public safety, providing directional information, or providing public information may not be situated or installed in highway rights of way.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Final. See Item 8.

8. Fiscal Implications: This bill seeks to address a constitutional challenge to § 33.2-1224 of the Code of Virginia asserted in litigation involving advertising signs within the limits of any highway.

If the federal judge declares § 33.2-1224 of the Code of Virginia unconstitutional, this statute, which prohibits signs in the right of way, will become null and void and unenforceable. The Virginia Department of Transportation (VDOT) will cease to have statutory authority to exercise control over signage in the highway rights of way, which could have significant safety implications.

Further, the loss of control over signage on interstates and federal aid primary roads could result in a loss of federal funding pursuant to the federal Highway Beautification Act. Specifically, under the Act, if the U.S. Secretary of Transportation deems that a state does not have effective control of outdoor advertising signs, displays and devices on the interstate and federal aid primaries, pursuant to 23 U.S.C. 131, ten percent of federal highway funds apportioned to that state can be withheld and apportioned to other states. At present, a ten percent loss of federal funds to Virginia equals \$107 million.

9. Specific Agency or Political Subdivisions Affected: VDOT and localities that have agreements with VDOT.

10. Technical Amendment Necessary: No.

11. Other Comments: None.