

# SENATE BILL 430

R1  
SB 616/16 – B&T

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By: **Senators Klausmeier, Eckardt, Edwards, Middleton, Ready, and Salling**  
Introduced and read first time: January 27, 2017  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Highway Administration – Sale or Lease of Naming Rights for Rest Areas**  
3 **and Welcome Centers**

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

22 BY repealing and reenacting, without amendments,  
23 Article – Transportation  
24 Section 8–204(h)  
25 Annotated Code of Maryland  
26 (2015 Replacement Volume and 2016 Supplement)

27 BY adding to  
28 Article – Transportation  
29 Section 8–208

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2015 Replacement Volume and 2016 Supplement)

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

5 **Article – Transportation**

6 8–204.

7 (h) By rules or regulations consistent with the safety and welfare of the traveling  
8 public, the Administration may govern the control and use of rest areas, scenic overlooks,  
9 roadside picnic areas, and other public use areas within State highway rights-of-way.

10 **8–208.**

11 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
12 INDICATED.

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

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

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

20 (B) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE  
21 ADMINISTRATION MAY SELL OR LEASE TO A PRIVATE ENTITY THE NAMING RIGHTS  
22 FOR REST AREAS OR WELCOME CENTERS WITHIN STATE HIGHWAY RIGHTS-OF-WAY.

23 (II) THE ADMINISTRATION MAY NOT SELL OR LEASE TO A  
24 PRIVATE ENTITY THE NAMING RIGHTS FOR REST AREAS OR WELCOME CENTERS  
25 WITHIN STATE HIGHWAY RIGHTS-OF-WAY UNLESS THE ADMINISTRATION  
26 DETERMINES THAT THE PROPOSED USE OF THE NAMING RIGHTS AND SIGNAGE  
27 ASSOCIATED WITH THE PROPOSED USE OF THE NAMING RIGHTS IS IN COMPLIANCE  
28 WITH FEDERAL REGULATIONS GOVERNING THE DISTRIBUTION OF FEDERAL  
29 HIGHWAY FUNDS TO THE STATE.

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

1           **(C) A SALE OR LEASE OF NAMING RIGHTS UNDER THIS SECTION IS SOLELY**  
2 **FOR PUBLIC RELATIONS OR ADVERTISING PURPOSES AND MAY NOT BE CONSTRUED**  
3 **TO REQUIRE THAT ANY OFFICIAL STATE HIGHWAY SIGN OR MAILING ADDRESS BE**  
4 **ALTERED.**

5           **(D) (1) A PRIVATE ENTITY THAT PURCHASES OR LEASES NAMING RIGHTS**  
6 **FOR A REST AREA OR WELCOME CENTER WITHIN A STATE HIGHWAY RIGHT-OF-WAY**  
7 **UNDER THIS SECTION MAY ERECT OUTDOOR SIGNS ALONG THE HIGHWAY FOR THE**  
8 **PURPOSE OF ADVERTISING THE DESIGNATION AND THE PRIVATE ENTITY.**

9           **(2) ALL COSTS ASSOCIATED WITH OUTDOOR SIGNS ERECTED UNDER**  
10 **THIS SUBSECTION SHALL BE PAID BY THE PRIVATE ENTITY THAT PURCHASES OR**  
11 **LEASES THE NAMING RIGHTS FOR THE REST AREA OR WELCOME CENTER,**  
12 **INCLUDING THE COSTS OF CONSTRUCTION, INSTALLATION, OPERATION,**  
13 **MAINTENANCE, AND REMOVAL OF THE SIGNS.**

14           **(3) OUTDOOR SIGNS UNDER THIS SUBSECTION:**

15                   **(I) MAY NOT BE ERECTED WITHOUT PRIOR APPROVAL BY THE**  
16 **ADMINISTRATION;**

17                   **(II) MAY NOT DETRACT FROM THE SAFETY OF THE TRAVELING**  
18 **PUBLIC, AS DETERMINED BY THE ADMINISTRATION;**

19                   **(III) SHALL BE AESTHETICALLY APPROPRIATE, AS DETERMINED**  
20 **BY THE ADMINISTRATION;**

21                   **(IV) MAY NOT INCLUDE A NAME THAT IN THE JUDGMENT OF THE**  
22 **ADMINISTRATION:**

23                           1.   **IS PROFANE, OBSCENE, OR VULGAR;**

24                           2.   **IS SEXUALLY EXPLICIT OR GRAPHIC;**

25                           3.   **RELATES TO EXCRETORY FUNCTIONS;**

26                           4.   **IS DESCRIPTIVE OF THE GENITALS OR OTHER**  
27 **INTIMATE PARTS OF A BODY;**

28                           5.   **RELATES TO OR DESCRIBES ILLEGAL ACTIVITIES OR**  
29 **SUBSTANCES;**

30                           6.   **CONDONES OR ENCOURAGES VIOLENCE; OR**

