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BILL ANALYSIS

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Senate Bill 735 (as reported without amendment)
Sponsor: Senator Jason E. Allen
Committee: Transportation

Date Completed: 10-12-04

RATIONALE

Under Public Act 299 of 1996, which regulates tourism signs on certain rural roads, the operator of a tourist-oriented activity may participate in a directional sign program upon application to the Michigan Department of Transportation (MDOT) and, upon being issued a permit, payment of a fee. Under the Act, the operator may erect a tourist-oriented directional sign only upon the portion of a road under the jurisdiction of MDOT. Reportedly, this is problematic for the owners of businesses and tourist attractions in rural areas in which there may be several miles of undeveloped land between a municipality's border and the location of the tourist attraction. An operator may erect signs on roads outside the municipality's limits, but may not post signs to help direct visitors to the tourist attraction once they have entered the municipality. It has been suggested that the law should allow a tourist attraction operator to request permission from a local unit of government to place directional signs on roads within municipal borders.

CONTENT

The bill would amend Public Act 299 of 1996 to allow the operator of a tourist-oriented attraction to erect a tourist-oriented directional sign within the jurisdiction of a local unit of government with approval of the local governing body.

The bill would make an exception to the requirement that an operator apply and pay a fee to MDOT in order to construct a directional sign. Under the bill, if an operator applied to a local unit of government (i.e., a city, village, township,

or county) for permission to erect a tourist-oriented directional sign within the local unit's jurisdiction, and the governing body approved the application, the operator would have to be granted a permit to construct the sign.

The Act defines "tourist-oriented activity" as a lawful cultural, historical, recreational, educational, or commercial activity that is attended annually by at least 2,000 people and for which a major portion of the activity's income or visitors is derived during the normal business season from motorists not residing in the immediate area of the activity. "Tourist-oriented directional sign" means a sign used to provide motorists with advanced notice of a tourist-oriented activity.

The Act required the Department to implement a program for the placement of tourist-directional signs and markers within the right-of-way of those portions of rural roads within State jurisdiction. "Rural road" means a highway but does not include a road or street within the boundaries of an incorporated city or village, a limited access highway, or a road that is part of the national system of interstate and defense highways.

MCL 247.401 & 247.403

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would make it easier for the operators of tourist attractions to guide visitors directly to their location. Currently, with MDOT approval, an operator may post a directional sign along the portion of a rural road outside the limits of a city, village, or township, but cannot post anything to help guide motorists once they have driven into the municipality. A person driving in unfamiliar territory can become lost. He or she might not be able to call for directions, or might not listen carefully when verbal directions are given. The bill would do a great deal to eliminate the trouble some drivers encounter when trying to find local tourist attractions, which could help boost economic activity.

Response: While it is important that visitors are able to find their way to local attractions, the bill should contain more consideration for local control. Perhaps an "opt-in" program for local units of government would be appropriate, so that they could decide whether they want to allow signs to be placed along the roads within their jurisdiction.

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Craig Thiel

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.