

**STATE OF MICHIGAN  
99TH LEGISLATURE  
REGULAR SESSION OF 2018**

Introduced by Senator Casperson

# **ENROLLED SENATE BILL No. 964**

AN ACT to amend 1972 PA 106, entitled “An act to provide for the licensing, regulation, control, and prohibition of outdoor advertising adjacent to certain roads and highways; to prescribe powers and duties of certain state agencies and officials; to promulgate rules; to provide remedies and prescribe penalties for violations; and to repeal acts and parts of acts,” by amending sections 2, 3, 4, 6, 7, 7a, 9, 17, 17a, 19, and 23 (MCL 252.302, 252.303, 252.304, 252.306, 252.307, 252.307a, 252.309, 252.317, 252.317a, 252.319, and 252.323), sections 2, 4, 6, 7, 7a, and 17 as amended and section 17a as added by 2014 PA 2 and sections 3, 9, and 19 as amended by 2006 PA 448, and by adding section 8; and to repeal acts and parts of acts.

*The People of the State of Michigan enact:*

Sec. 2. As used in this act:

(a) “Abandoned or discontinued sign or sign structure” or “abandoned sign” means a sign or sign structure subject to this act, the owner of which has failed to secure a permit, has failed to identify the sign or sign structure, or has failed to respond to notice.

(b) “Adjacent area” means the area measured from the nearest edge of the right-of-way of an interstate highway, freeway, or primary highway and, in urbanized areas, extending 3,000 feet perpendicularly and then along a line parallel to the right-of-way line or, outside of urbanized areas, extending perpendicularly to the limit where a sign is visible and then along a line parallel to the right-of-way line.

(c) “Billboard” means a sign separate from a premises erected for the purpose of advertising a product, event, person, or subject not related to the premises on which the sign is located. Billboard does not include an off-premises directional sign.

(d) “Business area” means an adjacent area that is zoned by a state, county, township, or municipal zoning authority for industrial or commercial purposes, customarily referred to as “b” or business, “c” or commercial, “i” or industrial, “m” or manufacturing, and “s” or service, and all other similar classifications and that is within a city, village, or charter township or is within 1 mile of the corporate limits of a city, village, or charter township or is beyond 1 mile of the corporate limits of a city, village, or charter township and contains 1 or more permanent structures devoted to the industrial or commercial purposes described in this subdivision and that extends along the highway a distance of 800 feet beyond each edge of the activity. Each side of the highway is considered separately in applying this definition except that where it is not topographically feasible for a sign or sign structure to be erected or maintained on the same side of the highway as the permanent structure devoted to industrial or commercial purposes, a business area may be established on the opposite side of a primary highway in an area zoned commercial or industrial or in an unzoned area with the approval of the state highway commission. A permanent structure devoted to industrial or commercial purposes does not result in the establishment of a business area on both sides of the highway. All measurements shall be from the outer edge of the regularly used building, parking lot, or storage or processing area of the commercial or industrial activity and not from the property lines of the activities and shall be along or parallel to the edge or pavement of the highway. Commercial or industrial purposes are those activities generally restricted to commercial or industrial zones

in jurisdictions that have zoning. Business area includes an adjacent area that is zoned by a county, city, village, township, or charter township zoning authority as part of a comprehensive land development project or planned unit development in which commercial or industrial activity is the primary use of the property. As used in this subdivision, “primary use” means that at least 75% of the total current actual use and planned development and use is, and will remain, commercial or industrial. In addition, the following activities are not commercial or industrial:

(i) Agricultural, animal husbandry, forestry, grazing, farming, and related activities, including, but not limited to, wayside fresh produce stands.

(ii) Transient or temporary activities.

(iii) Activities not visible from the main-traveled way.

(iv) Activities conducted in a building principally used as a residence, or in a building located on property that is used principally for residential purposes or for the activities in subparagraph (i).

(v) Railroad tracks and minor sidings.

(vi) Outdoor advertising.

(vii) Activities more than 660 feet from the main-traveled way.

(viii) Activities that have not been in continuous operation of a business or commercial nature for at least 2 years.

(ix) Public utility facilities, whether regularly staffed or not.

(x) Structures associated with on-site outdoor recreational activities such as riding stables, golf course shops, and campground offices.

(xi) Activities conducted in a structure for which an occupancy permit has not been issued or that is not a fully enclosed building, having all necessary utility service and sanitary facilities required for its intended commercial or industrial use.

(xii) A storage facility for a business or other activity not located on the same property, except a storage building having at least 10 separate units that are available for rent by the public.

(xiii) A temporary business solely established to qualify as commercial or industrial activity under this act.

(e) “Department” means the state transportation department.

(f) “Destroyed sign” means a nonconforming sign that has been damaged by storm, fire, or other casualty that requires customary maintenance and repair in excess of 60% of the replacement cost of a new sign structure constructed of equivalent materials and equipment. Destroyed sign does not include a nonconforming sign that has been damaged by vandalism or a negligent act of a person.

(g) “Digital billboard” means a sign or sign structure that utilizes an electronic means to display a series of messages that are changed by electronic means. Digital billboard does not include a sign that contains an embedded electronic message device or a trivision sign.

(h) “Digital billboard permit” means a permit for a digital billboard that is renewable on an annual basis.

(i) “Directional sign” means a sign that contains only directional information regarding and the identification of 1 of the following:

(i) A public or private activity or attraction that is owned or operated by the federal or a state or local government or an agency of the federal or a state or local government.

(ii) A publicly or privately owned natural phenomenon or a historic, cultural, scientific, educational, or religious site.

(iii) An area that is in the interest of the traveling public, if the area is of natural scenic beauty or is naturally suited for outdoor recreation.

(j) “Embedded electronic message device” means an accessory that is made part of a sign, sign face, or sign structure with a total area that is less than that of the sign face to which it is attached, and displays only static messages containing text or numbers that are directly associated with the current advertiser. Embedded electronic message device does not include a digital billboard or a device that displays graphics other than messages containing text or numbers.

(k) “Erect” means to construct, build, raise, assemble, place, affix, attach, create, paint, draw, or in any other way bring into being or establish.

(l) “Existing vegetation” means trees, bushes, and ground cover that the department intends to maintain and that are at least the same size as similar vegetation that the department would customarily install and maintain or allow to be installed and maintained as part of a roadside management plan, roadside management project, or landscaping project.

(m) “Freeway” means a divided highway of not less than 2 lanes in each direction to which owners or occupants of abutting property or the public do not have a right of ingress or egress to, from, or across the highway, except at points determined by or as otherwise provided by the authorities responsible for the freeway.

(n) “Incorporated municipality” means a city, village, or charter township.

(o) “Index” means the Detroit Consumer Price Index for all urban consumers published by the United States Bureau of Labor Statistics or, if that index ceases to be published by the United States Bureau of Labor Statistics, the published index that most closely measures inflation, as determined by the department.

(p) “Interim permit” means a permit that can be utilized by the applicant to construct a sign structure that is visible from a freeway, interstate, or primary highway.

(q) “Interstate highway” means a highway officially designated as a part of the national system of interstate and defense highways by the department and approved by the federal government under 23 USC 103.

(r) “Location” means a place where a sign structure subject to this act is located.

(s) “Main-traveled way” means the traveled way of a highway on which through traffic is carried. Main-traveled way includes the traveled way of each of the separate roadways for traffic in opposite directions on a divided highway. Main-traveled way does not include facilities such as frontage roads, turning roadways, or parking areas.

(t) “Maintain” means to allow to exist and includes the periodic changing of advertising messages, and customary maintenance and repair of signs and sign structures.

(u) “National highway system” means a designation provided to certain highways by the department and approved by the United States Department of Transportation and the United States Congress, the purpose of which is to provide an interconnected system of principal arterial routes that service major population centers, international border crossings, ports, airports, public transportation facilities, and interstate and interregional travel that meets national defense requirements.

(v) “Nationally known” means an activity or attraction that is all of the following:

(i) An active part of a national advertising promotion.

(ii) Listed on a national register, if applicable.

(iii) Staffed and maintains a register of visitors.

(iv) Listed in national travel guides.

(v) Organized to provide information or conducted tours for a significant portion of the year, or for at least 3 months if the activity or attraction is seasonal in nature.

(w) “Nonconforming sign” means a sign or sign structure, other than a nonstandard sign or a sign that is erected and maintained in a business area along a scenic byway prior to the designation as a scenic byway, that satisfies 1 of the following:

(i) Was legally erected before March 31, 1972 but could not be legally erected under the current provisions of this act.

(ii) Is a sign or sign structure regulated under this act that was legally permitted after March 31, 1972 but could not be legally erected under the current provisions of this act.

(x) “Nonstandard sign” means a sign or sign structure other than a nonconforming sign, that is subject to this act, was legally permitted on or before March 23, 1999, is not a nonconforming sign, and does not comply with the spacing requirements in section 17, but otherwise complies with this act.

(y) “On-premises sign” means a sign advertising activities conducted or maintained on the property on which it is located. The boundary of the property shall be as determined by tax rolls, deed registrations, and apparent land use delineations. If a sign consists principally of brand name or trade name advertising and the product or service advertised is only incidental to the principal activity conducted or maintained on the property, or if the sign brings rental income to the property owner or sign owner, it shall be considered the business of outdoor advertising and not an on-premises sign. On-premises sign does not include a sign on a narrow strip of land contiguous to the advertised activity, or a sign on an easement on adjacent property, when the purpose is clearly to circumvent the intent of this act.

(z) “Permit” means a license required under this act to maintain or erect a billboard visible from a regulated route.

(aa) “Permit holder” means a person that has been issued a permit or a person to whom a permit for a specific sign location or an interim permit has been transferred.

(bb) “Person” means any individual, partnership, private association, or corporation, state, county, city, village, township, charter township, or other public or municipal association or corporation.

(cc) “Primary highway” means a highway other than an interstate highway or freeway that is a regulated route.

(dd) “Regionally known” means an activity or attraction that is all of the following:

(i) Known throughout this state or the peninsula of this state in which the activity or attraction is located and in 1 or more states adjoining this state.

(ii) Listed on a state register, if applicable.

(iii) Staffed and maintains a register of visitors.

- (iv) Organized to provide information or conducted tours for a significant portion of the year, or for at least 3 months if the activity or attraction is seasonal in nature.
- (ee) “Regulated route” means an interstate highway, freeway, or primary highway required to be regulated under 23 USC 131 and any other route that is required to be regulated or may become required to be regulated by the department under this act or another state or federal statute or legal requirement.
- (ff) “Religious organization sign” means a sign, not larger than 8 square feet, that gives notice of religious services.
- (gg) “Scenic byway” means a regulated route that is required to be regulated as a scenic byway under 23 USC 131.
- (hh) “Secondary highway” means a state secondary road or county primary road.
- (ii) “Service club sign” means a sign, not larger than 8 square feet, that gives notice about nonprofit service clubs or charitable associations.
- (jj) “Sign” means any outdoor sign, display, device, figure, painting, drawing, message, placard, poster, billboard, or other thing, whether placed individually or on a T-type, V-type, back to back, or double-faced display, that is designed, intended, or used to advertise or inform.
- (kk) “Sign owner” means a person that demonstrates ownership of a sign structure, regardless of whether that person holds a permit for the sign.
- (ll) “Sign structure” means the assembled components that make up an outdoor advertising display, including, but not limited to, uprights, supports, facings, and trim. A sign structure may contain 1 or 2 signs per facing and may be double-faced, back to back, T-type, or V-type.
- (mm) “Tobacco product” means any tobacco product sold to the general public and includes, but is not limited to, cigarettes, tobacco snuff, and chewing tobacco.
- (nn) “Trivision sign” means a sign or sign structure that uses mechanical means to display more than 1 message in sequence.
- (oo) “Unzoned commercial or industrial area” means an area that is within an adjacent area, that is not zoned by state or local law, regulation, or ordinance, that contains 1 or more permanent structures devoted to the industrial or commercial purposes described in subdivision (d), and that extends along the highway a distance of 800 feet beyond each edge of the activity. Each side of the highway is considered separately in applying this definition except that where it is not topographically feasible for a sign or sign structure to be erected or maintained on the same side of the highway as the permanent structure devoted to industrial or commercial purposes, an unzoned commercial or industrial area may be established on the opposite side of a primary highway in an area zoned commercial or industrial or in an unzoned area with the approval of the state highway commission. A permanent structure devoted to industrial or commercial purposes does not result in the establishment of an unzoned commercial or industrial area on both sides of the highway. All measurements shall be from the outer edge of the regularly used building, parking lot, or storage or processing area of the commercial or industrial activity and not from the property lines of the activities and shall be along or parallel to the edge or pavement of the highway. Commercial or industrial purposes are those activities generally restricted to commercial or industrial zones in jurisdictions that have zoning. In addition, the following activities are not commercial or industrial:
- (i) Agricultural, animal husbandry, forestry, grazing, farming and related activities, including, but not limited to, wayside fresh produce stands.
  - (ii) Transient or temporary activities.
  - (iii) Activities not visible from the main-traveled way.
  - (iv) Activities conducted in a building principally used as a residence, or in a building located on property that is used principally for residential purposes or for the activities in subparagraph (i).
  - (v) Railroad tracks and minor sidings.
  - (vi) Outdoor advertising.
  - (vii) Activities more than 660 feet from the main-traveled way.
  - (viii) Activities that have not been in continuous operation of a business or commercial nature for at least 2 years.
  - (ix) Public utility facilities, whether regularly staffed or not.
  - (x) Structures associated with on-site outdoor recreational activities such as riding stables, golf course shops, and campground offices.
  - (xi) Activities conducted in a structure for which an occupancy permit has not been issued or that is not a fully enclosed building, having all necessary utility service and sanitary facilities required for its intended commercial or industrial use.
  - (xii) A storage facility for a business or other activity not located on the same property, except a storage building having at least 10 separate units that are available for rent by the public.
  - (xiii) A temporary business solely established to qualify as commercial or industrial activity under this act.

(pp) “Visible” means a sign that has a message that is capable of being seen by an individual of normal visual acuity when traveling in a motor vehicle.

Sec. 3. To improve and enhance scenic beauty consistent with 23 USC 131 and to limit and reduce the illegal possession and use of tobacco by minors, the legislature finds it appropriate to regulate and control outdoor advertising and outdoor advertising as it pertains to tobacco adjacent to the streets, roads, highways, and freeways within this state and that outdoor advertising is a legitimate accessory commercial use of private property, is an integral part of the marketing function, and is an established segment of the economy of this state.

Sec. 4. This act regulates and controls the size, lighting, and spacing of signs and sign structures in adjacent areas and occupies the whole field of that regulation and control except for the following:

(a) A county, city, village, township, or charter township may enact ordinances to regulate and control the operation, size, lighting, and spacing of signs and sign structures but shall not permit a sign or sign structure that is otherwise prohibited by this act or require or cause the removal of lawfully erected signs or sign structures subject to this act without the payment of just compensation. A sign owner shall apply for a permit under section 6 for each sign to be maintained or to be erected within that county, city, village, charter township, or township. A sign erected or maintained within that county, city, village, township, or charter township shall also comply with all applicable provisions of this act. An ordinance or code adopted by a county, city, village, township, or charter township that regulates the operation, size, lighting, or spacing of signs and sign structures and that is more stringent than the laws of this state is not made void by this act.

(b) A county, city, village, charter township, or township vested by law with authority to enact zoning codes has full authority under its own zoning codes or ordinances to establish commercial or industrial areas and the actions of a county, city, village, charter township, or township in so doing shall be accepted for the purposes of this act. However, except as provided in subdivision (a), zoning that is not part of a comprehensive zoning plan and is taken primarily to permit outdoor advertising structures shall not be accepted for purposes of this act. A zone in which limited commercial or industrial activities are permitted as incidental to other primary land uses is not a commercial or industrial zone for outdoor advertising control purposes.

(c) An ordinance or code of a city, village, township, or charter township that existed on March 31, 1972 and that prohibits signs or sign structures is not made void by this act.

(d) A county ordinance that regulates and controls the size, lighting, and spacing of signs and sign structures shall only apply in a township within the county if the township has not enacted an ordinance to regulate and control the size, lighting, and spacing of signs and sign structures.

(e) A county, on its own initiative or at the request of a city, village, township, or charter township within that county, may prepare a model ordinance as described in subdivision (a). A city, village, township, or charter township within that county may adopt the model ordinance.

Sec. 6. (1) A sign owner shall apply for a permit on a form prescribed by the department for each sign or sign structure to be maintained or erected in an adjacent area where the facing of the sign or sign structure is visible from a regulated route. The form shall require the name and business address of the applicant, the name and address of the owner of the property on which the sign or sign structure is to be located, the date the sign or sign structure, if currently maintained, was erected, the zoning classification of the property, a precise description of where the sign or sign structure is or will be situated and a certification that the sign or sign structure is not prohibited by section 18 and that the sign or sign structure does not violate any provisions of this act. The sign permit application shall include a statement signed by the owner of the land on which the sign or sign structure is to be placed, acknowledging that no trees or shrubs in the adjacent highway right-of-way may be removed, trimmed, or in any way damaged or destroyed without the written authorization of the department. The department may require documentation to verify the zoning, the consent of the land owner, and any other matter considered essential to the evaluation of compliance with this act. A sign owner shall apply for a separate permit for each sign or sign structure for each regulated route subject to this act from which the facing of the sign or sign structure is visible.

(2) The owner of a sign or sign structure shall apply for a permit for each sign or sign structure that becomes subject to the permit requirements of this act because of a change in highway designation or other reason not within the control of the sign owner within 2 months after receiving notice from the department that the sign or sign structure is subject to the permit requirements of this act. Both of the following apply to a permit issued under this subsection:

(a) The permit is not subject to section 7a.

(b) The permit may not be surrendered for an interim permit under section 7a(3).

(3) In addition to a permit under subsection (1), a sign owner shall apply for and the department shall issue a digital billboard permit for each digital billboard that is not a nonconforming sign and that meets the requirements of section 17(3) to be maintained or erected in an adjacent area where the facing of the sign or sign structure is visible from a regulated route. The information provided by an applicant under this subsection shall be on a form prescribed



by the department. A sign owner shall apply for a separate digital billboard permit for each sign or sign structure allowed under section 17(3) for each regulated route from which the facing of the sign or sign structure is visible. The owner of a sign or sign structure shall apply for a digital billboard permit for each digital billboard that becomes subject to the permit requirements of this act because of a change in highway designation or other reason not within the control of the sign owner within 2 months after receiving notice from the department that the sign or sign structure is subject to the permit requirements of this act. All of the following apply to a digital billboard permit issued under this subsection:

(a) The digital billboard permit is not subject to section 7a.

(b) The digital billboard permit may not be surrendered for an interim permit under section 7a(3).

(c) For no more than 3 signs permitted and erected before March 1, 2016 that are not nonstandard or nonconforming signs, are not located on a scenic highway, and are located in a city with a population of at least 600,000, an owner may apply for and the department shall approve a digital billboard permit. A sign permitted under this subdivision is exempt from section 17(3).

(4) Both of the following apply to the owner of a nonstandard sign:

(a) In addition to a permit under subsection (1), the owner of a nonstandard sign may apply for a digital billboard permit to erect and maintain a digital billboard on a nonstandard sign by applying for a digital billboard permit on a form prescribed by the department, paying the required fee, and surrendering 3 interim permits to the department. The owner of a nonstandard sign seeking a digital billboard permit under this subsection shall apply for a separate digital billboard permit for each sign or sign structure for each regulated route from which the facing of the sign or sign structure is visible, but shall not be required to surrender more than a total of 3 interim permits.

(b) For the first 8 nonstandard signs for which the owner applies for a digital billboard permit under subdivision (a), the owner shall not be required to surrender 3 interim permits. This subdivision only applies to signs located in a county having a population of not less than 750,000. The spacing requirements under section 17(4) apply to the first 8 nonstandard signs for which the owner applies for a digital billboard permit under subdivision (a).

Sec. 7. (1) A permit fee is payable annually in advance, to be credited to the state trunk line fund. For a digital billboard permit, the fee is \$200.00 for the first year. For a permit for a billboard that does not require a digital billboard permit, the fee is \$100.00 for the first year except that signs in existence prior to a highway's change in designation or jurisdiction that requires signs to be permitted shall only be required to pay the permit renewal amount under subsection (2). The department shall establish an expiration date for each permit and may change the expiration date of existing permits to spread the permit renewal activity over the year. Permit fees may be prorated the first year. An application for the renewal of a permit shall be filed with the department no later than the permit's expiration date.

(2) For signs up to and including 300 square feet, the permit renewal fee is \$50.00. For signs greater than 300 square feet, the permit renewal fee is \$80.00. The permit renewal fee for an interim permit is \$80.00. The permit renewal fee for a digital billboard permit is \$200.00. Signs of the service club and religious category are not subject to a renewal fee.

(3) If the renewal fee is not paid by the expiration date of the permit as required under this section, the renewal fee shall increase for that year by an additional \$50.00. The department shall send notice of nonpayment by certified mail to the permit holder's address on file within 30 days after the expiration date and shall inform the permit holder that if the renewal fee as increased under this subsection is not paid within 60 days after the permit expiration date, the department may cancel the permit without taking further administrative action unless an administrative hearing is requested by the permit holder within 60 days after the permit expiration date.

(4) The department shall send notice of a permit's cancellation to the permit holder by certified mail within 60 days after the permit was canceled. The notice shall advise the permit holder that he or she may submit a new application for a permit within 60 days after the date of the notice, if, at the time the application is submitted, the permit holder surrenders an interim permit as provided in section 7a(4) or if the sign meets the qualifications described in section 7a(13).

(5) Notwithstanding subsection (3), for permits having the same expiration date, the maximum amount of increased renewal fees for late payments that may be assessed by the department under this section against 1 permit holder is \$10,000.00.

(6) The department shall require a transfer fee when a request is made to transfer existing permits to a new sign owner. Except as otherwise provided in this subsection, the transfer fee is \$100.00 for each permit that is requested to be transferred, up to a maximum of \$500.00 for a request that identifies 5 or more permits to be transferred. If the department incurs additional costs directly attributable to special and unique circumstances associated with the requested transfer, the department may assess a transfer fee greater than the maximums identified in this subsection to recover those costs.

(7) Notwithstanding any other provision of this act, the department shall not charge a renewal fee for a sign located on a limited access highway that is subject to a full closure for more than 120 days at the time of renewal.

Sec. 7a. (1) Except as otherwise provided in this section, section 6(2)(a), and section 7b, the department shall not issue a permit for a new sign on or after January 1, 2007.

(2) A permit issued by the department before January 1, 2007 remains in force and valid.

(3) On and after January 1, 2007, the department shall issue an interim permit to a holder of a valid permit if all of the following conditions are met:

(a) The holder of the valid permit is otherwise in compliance with this act.

(b) The holder of the permit surrenders the permit to the department upon the removal of a sign structure that has a valid permit under this act.

(c) The holder of the permit verifies the removal of the sign structure in writing to the department.

(d) The department verifies that the sign structure has been removed or the removal has been deemed effective under this section.

(4) An interim permit issued under this section shall only be utilized for the construction of a sign structure. A sign erected using an interim permit shall not be closer than 1,000 feet to another sign structure on the same side of the highway along interstate highways and freeways or closer than 500 feet to another sign structure on the same side of the highway along primary highways. An interim permit shall not be used to erect a sign in a location where existing vegetation was removed without the department's permission.

(5) The department shall verify that an existing sign structure has been removed no later than 30 days after the department receives written notice from the permit holder that the sign structure has been removed. If the department does not respond to the written notice within 30 days after receipt of the written notice, then the permit holder shall be deemed to have removed the sign structure in compliance with this section.

(6) A holder of 2 valid permits for a sign structure with 2 faces who complies with this section shall receive 2 interim permits for the construction of a sign structure with 2 faces. A permit holder under this subsection shall not receive 2 interim permits to construct 2 single-face sign structures.

(7) A holder of a valid permit for a sign structure with a single face is entitled to exchange that permit under this section for an interim permit with a single face. A holder of valid permits for 2 different single-face structures may exchange the 2 permits under this section for 2 interim permits to construct 2 single-face sign structures or 2 interim permits to construct 1 sign structure with 2 faces.

(8) A holder of more than 2 valid permits for a sign structure with more than 2 faces may exchange the permits under this section for a maximum of 2 interim permits. The 2 interim permits received under this section shall only be used to construct 1 sign structure with no more than 2 faces.

(9) After construction of a sign structure under an interim permit is complete, the department shall issue a permit for the completed sign structure if the sign structure is in compliance with this act.

(10) If a permit holder for a sign structure that exists on January 1, 2007 requires additional permits for any reason, the department may issue a permit without complying with subsection (1) even if the permit holder has more than 2 valid permits as a result.

(11) The department may issue a permit for a new sign structure that measures no more than 8 square feet for service club signs or religious organization signs.

(12) Notwithstanding anything in this act to the contrary, permits issued under subsection (11) are not eligible to be surrendered for an interim permit.

(13) Notwithstanding anything in this act to the contrary, the department may issue a permit for an existing sign that advertises a product, service, or retail business that is owned and operated by the sign owner if the location for the sign meets all existing requirements of this act, or if the sign is an existing nonconforming sign that advertises a product, service, or retail business that is owned and operated by the sign owner and the sign owner held an original permit for that sign on January 1, 2007.

(14) A permit issued under subsection (13) is not transferable and is not eligible to be surrendered for an interim permit.

(15) Notwithstanding anything in this act to the contrary, the department may issue a permit for a sign that is no more than 150 square feet in size and that advertises a product, service, attraction, destination, or retail business that is owned and operated or served by the sign owner, if the sign meets all other requirements of this act. A permit issued under this subsection is not transferable and is not eligible to be surrendered for an interim permit. The department shall not issue more than 4 permits under this subsection to an attraction, destination, or retail business.

Sec. 8. If a limited access freeway is closed for more than 120 days, a permit holder shall apply for, and the department shall approve, relocation of a sign located in the adjacent area where the facing of the sign is visible from that limited access freeway, if the sign meets applicable spacing and zoning requirements. The height or size of the sign shall not be changed at the new location. A sign that is relocated under this section shall be restored to its original

location and status no later than 60 days after being notified by the department that the limited access freeway is reopened for full use.

Sec. 9. Except for signs existing on March 31, 1972, a permit shall be issued or denied within 30 days after proper receipt of the permit form and the permit fee from the applicant. A permit shall not be issued for a sign that is prohibited by section 18. A permit shall not be issued for a sign that violates this act unless the sign is eligible for removal compensation under section 22.

Sec. 17. (1) Except as otherwise provided in subsections (10) and (11), along interstate highways and freeways, a sign structure located in a business area or unzoned commercial or industrial area shall not be erected or maintained closer than 1,000 feet to another sign structure on the same side of the highway.

(2) Along primary highways and roadways that are part of the national highway system, a sign structure shall not be erected or maintained closer than 500 feet to another sign structure.

(3) Except as otherwise provided in subsection (4), a sign utilizing a digital billboard permit shall not be closer than 1,750 feet to another sign utilizing a digital billboard permit on either side of the highway facing the same direction of oncoming traffic.

(4) For the first 8 nonstandard signs for which the owner applies for a digital billboard permit under section 6(4)(a) without having to surrender 3 interim permits as provided under section 6(4)(b), each sign shall not be closer than 1,000 feet to another sign using a digital billboard permit on either side of the highway facing the same direction of traffic. This subsection only applies to signs located in a county having a population of not less than 750,000.

(5) This section does not apply to signs separated by a building or other visual obstruction in such a manner that only 1 sign located within the spacing distances is visible from the highway at any time, provided that the building or other visual obstruction has not been created for the purpose of visually obstructing either of the signs at issue.

(6) Along interstate highways and freeways located outside of incorporated municipalities, a sign structure shall not be permitted adjacent to or within 500 feet of an interchange, an intersection at grade, or a safety roadside rest area. The 500 feet shall be measured from the point of beginning or ending of pavement widening at the exit from, or entrance to, the main-traveled way.

(7) Official signs as described in section 13(1)(a) and on-premises signs shall not be counted and measurements shall not be made from them for purposes of determining compliance with the spacing requirements in this section.

(8) Except as provided in subsection (3), the spacing requirements in this section apply separately to each side of the highway.

(9) The spacing requirements in this section shall be measured along the nearest edge of the pavement of the highway between points directly opposite each sign.

(10) A sign that was erected in compliance with the spacing requirements of this section that were in effect at the time when the sign was erected, but that does not comply with the spacing requirements of this section after March 23, 1999, is not unlawful under section 22.

(11) Along an interstate highway that is designated by 1 letter and 3 numbers and located in a county with a population of less than 211,000 but more than 175,000, an existing sign structure that was erected prior to March 24, 2011 shall not be closer than 900 feet to another sign structure on the same side of the highway.

Sec. 17a. (1) A nonconforming sign may continue to exist as long as it is not destroyed, abandoned, discontinued, or prohibited sign. A nonconforming sign that has not displayed an advertising message for more than 1 year shall be considered an abandoned sign.

(2) A sign owner may perform customary maintenance and repair of a nonconforming sign. The annual cost of the customary maintenance and repair shall not exceed 40% of the replacement cost of a new sign structure constructed using equivalent materials and equipment.

(3) A sign owner may perform customary maintenance and repair of a nonconforming sign that is damaged as a result of storm, fire, or casualty. Customary maintenance and repair of a nonconforming sign that is damaged as a result of storm, fire, or casualty shall not exceed 60% of the replacement cost of a new sign structure constructed using equivalent materials and equipment. The 60% limitation in this subsection does not apply if the damage to the nonconforming sign is caused by vandalism or a negligent act of a person other than the sign owner.

(4) A nonconforming sign owner may not take any action that places this state out of compliance with federal statutes, published rules, regulations, or the federal-state agreement on outdoor advertising.

(5) A nonstandard sign may continue to exist and a sign owner may perform any action to a nonstandard sign that is allowed under this act, except for the following:

(a) Increasing the overall height of an existing sign structure.

(b) Increasing the total square footage of a sign face to a size greater than its original square footage.



(c) Increasing the number of sign faces to more than 2.

(6) As used in this section:

(a) "Customary maintenance and repair" means the repair or replacement of materials or equipment with equivalent materials or equipment on a sign or sign structure that restores the structural integrity of the sign or sign structure or the functionality of the equipment. Customary maintenance and repair includes, but is not limited to, modifications to the sign or sign structure that are designed to comply with state and federal worker safety regulations and requirements, modifications to the sign structure that are primarily for the conservation of energy or environmental preservation, paint, and the installation of trim or borders. All of the following apply to customary maintenance and repair:

(i) Customary maintenance and repair does not include any of the following:

(A) Enlargement of the sign or sign structure. As used in this subparagraph, "enlargement of the sign or sign structure" does not include either of the following:

(I) The installation of a temporary copy enhancement.

(II) The installation of an embedded message device, if the installation is not prohibited by federal statute or a rule promulgated by the federal highway administration.

(B) Except as otherwise provided in this sub-subparagraph, a change in the location of the sign structure.

(C) An increase in the height of the sign structure.

(D) Installation of additional signs on a sign structure.

(E) Electrification of the sign or sign structure.

(ii) Notwithstanding any other provision of this act, customary maintenance and repair includes a modification to a sign or sign structure that was completed before January 1, 2007, other than electrification, conversion to a digital billboard, or conversion to a trivision sign. Customary maintenance and repair includes the reversal of electrification, conversion to a digital billboard, or conversion to a trivision sign if the electrification, conversion to a digital billboard, or conversion to a trivision sign was completed before January 1, 2007.

(b) "Replacement cost" means the total sum of the costs incurred if a new sign and sign structure were erected at a conforming location with equivalent materials and equipment at current market prices.

Sec. 19. (1) Signs and their supporting structures erected or maintained in violation of this act may be removed by the department in the manner prescribed in this section.

(2) The department shall mail by certified mail to the sign owner and permit holder a notice that the sign or its supporting sign structure violates stated specified provisions of this act and is subject to removal. If the sign owner or permit holder's address cannot be determined, the department shall post a notice on the sign. The posted notice shall be written on red waterproof paper stock of a size not less than 8-1/2 inches by 11 inches. The department shall post the notice in the area designated by section 12 for the placing of permit numbers, in a manner so that it is visible from the highway faced by the sign or sign structure.

(3) If the sign or sign structure is not removed or brought into compliance with this act within 30 days following the date of posting or mailing of written notice or within such further time as the department may allow in writing, the sign or sign structure shall be considered abandoned.

(4) The department shall conduct a hearing under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, at which it shall confirm that the sign is abandoned, that due process has been observed, and that the sign may be removed by the department without payment of compensation and at the expense of the owner. The department shall remove signs or sign structures determined to be abandoned under this subsection, and any other sign or sign structure erected or maintained in violation of this act that is not eligible for removal compensation as provided in section 22, immediately or upon the expiration of such further time as the department allows. The department may recover as a penalty from the owner of the sign or sign structure or, if he or she cannot be found, the owner of the real property upon which the sign or sign structure is located, double the cost of removal or \$500.00, whichever is greater. For frivolous hearings as determined by the administrative law judge, the department may recover as a penalty from the owner of the sign or sign structure, or, if the owner of the sign or sign structure cannot be found, the owner of the real property upon which the sign or sign structure is located, double the cost of an administrative hearing incurred by the department or \$500.00, whichever is greater. Any penalty imposed under this section is subject to de novo review in circuit court.

(5) The department, its agents and employees, and any person acting under the authority of or by contract with the department may enter upon private property without liability in connection with the posting or the removal of any sign or sign structure under this act.

(6) The department may contract on a negotiated basis without competitive bidding with a permittee under this act for the removal of any sign or sign structure under this act.

(7) Any repeat violation of this act shall be considered a continuing violation of this act.

(8) A sign or sign structure erected or maintained in violation of this act is a nuisance per se. The department, before or after a hearing is conducted, may apply to the circuit court in the county in which a sign is located for an order to show cause why the use of a sign erected or maintained in violation of this act should not be enjoined pending its removal in accordance with this section.

(9) A person that erects a sign without a valid permit issued under this act is subject to a fine that will be assessed daily for the duration of the violation beginning on the date the notice required under subsection (2) is received as indicated on the certified mailing card. The fine amounts are as follows:

- (a) \$100.00 per day for the first 30 days after the notice is received.
- (b) \$150.00 per day for the thirty-first through sixtieth day after the notice is received.
- (c) \$175.00 per day for the sixty-first through ninetieth day after the notice is received.
- (d) \$200.00 per day for the ninety-first and each subsequent day after the notice is received.

(10) In addition to the fines provided for in subsection (9), the department may recover gross revenue a person earned as a result of his or her violation of this act if all of the following apply:

- (a) The sign is located in a business area.
- (b) The sign occupies an area greater than 300 square feet.
- (c) The sign is attached to the exterior of a public or private building.

Sec. 23. (1) The department may promulgate and enforce rules to implement this act in accordance with and subject to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(2) If a person is aggrieved by any action or inaction of the department, he or she may request a formal hearing on the matter involved. The hearing shall be conducted by the department in accordance with the provisions for contested cases in the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. An employee of the department may represent the department at the hearing, and an individual may represent himself or herself at the hearing.

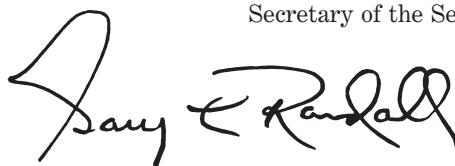
(3) A determination, action or inaction by the department following the hearing is subject to judicial review as provided in the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

Enacting section 1. Sections 18b and 18c of the highway advertising act of 1972, 1972 PA 106, MCL 252.318b and 252.318c, are repealed.

Enacting section 2. This amendatory act takes effect 90 days after the date it is enacted into law.



Secretary of the Senate



Clerk of the House of Representatives

Approved .....

.....  
Governor