

- SUBJECT:** Creating a tourist-oriented directional sign program
- COMMITTEE:** Culture, Recreation, and Tourism — committee substitute recommended
- VOTE:** 4 ayes — Hilderbran, Dunnam, Gallego, Phillips  
0 nays  
3 absent — Kuempel, Baxter, Dukes
- WITNESSES:** For — Gabe Parker, Texas Wine and Grape Grower Association; Cord Switzer  
Against — None  
On — Carol Rawson, Texas Department of Transportation
- BACKGROUND:** Transportation Code, ch. 391, provides for highway beautification on interstate and primary systems and on certain roads, while subch. D governs specific information logo signs.
- The federal Manual on Uniform Traffic Control Devices (MUTCD) is the national standard for traffic control devices, including signs, on all public roads open to public travel. Traffic control devices on all streets and highways open to public travel in each state must substantially conform to standards issued or endorsed by the Federal Highway Administration. Federal transportation funding to a state could be jeopardized if these standards are broken. In Texas those standards are delineated in the Texas Manual on Uniform Traffic Control Devices (Texas MUTCD), authorized by Transportation Code, sec. 544.001.
- A controlled access highway generally is a highway with restricted entry or exit except at a place, such as a ramp, designed for that purpose and is generally cut off from legal access to and from abutting property. A noncontrolled access highway is defined against that standard.
- DIGEST:** HB 2135 would establish the Tourist-Oriented Directional Sign Program (TOD) to place along eligible highways road signs that identify wineries

or businesses related to agriculture or tourism, including special farms or other such tourist destinations.

To be eligible, a business would have to be in an agriculture or tourist-related business and derive a major portion of its income or visitors during peak season from highway users who did not live in the area. The business would have to comply with state and federal laws on licensing and public accommodation and be located within the mile limits established under the Texas MUTCD and the federal MUTCD.

The signs would be placed on a highway with noncontrolled access located outside a town with a population of 5,000 or more. The signs would identify a type of business by use of an icon or symbol.

The Texas Transportation Commission would administer the program, including adopting and enforcing rules and regulating the content and placement of the signs. Eligible businesses would pay the cost of the signs plus an amount covering administrative costs to Texas Department of Transportation (TxDOT). The commission's program rules would have to be consistent with the Texas MUTCD and the federal MUTCD and could not prohibit a business from receiving a TOD sign because that business needed supplemental directional signs in order to provide adequate guidance to the facility. TxDOT would adhere to certain timelines for responding to a business' request.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

**SUPPORTERS  
SAY:**

By establishing a Tourist Oriented Directional Sign Program, CSHB 2135 would help bring more tourism dollars into the economy. Total direct travel spending in Texas was \$41.2 billion in 2003, and tourist purchases translate into more sales tax revenue for the state. This program would be geared to businesses that draw tourists, such as wineries, Christmas tree farms, and pick-your-own fruit farms. The wine tourism industry in Texas has grown and has the potential to grow more. Wineries that have billboards and other signs have seen an increase in income, and studies have shown that signs are the most effective way to draw visitors to a winery.

The intent of the TOD sign program is to help agriculture-related tourism. For every dollar spent at a rural tourist destination, many more are spent at supporting businesses in the area, such as gas stations and hotels. When this outside cash is pumped into the local economy, the whole community benefits.

A business would pay for the sign and its maintenance and would reimburse TxDOT for administrative costs related to the sign. The program would have no cost to state taxpayers. This sign program would be more flexible and would apply to more roads than the TxDOT controlled-access road "logo" sign program, which allows signs only for businesses such as restaurants and hotels.

Federal language on the definition of an eligible highway is necessary to avoid jeopardizing transportation funding to the state. Part of the definition would be that an eligible highway would have to be outside the corporate limits of a municipality with a population of 5,000 or more.

Businesses that are more than two turns off the main road may need to provide their own supplemental directional billboards in addition to the state TOD sign. These signs would be unlikely to fall into disrepair because businesses would be motivated to maintain their billboards as an investment to raise profits.

OPPONENTS  
SAY:

The definition of an eligible highway could be reworded to be more advantageous for tourist destinations. Currently an eligible highway must be outside the corporate limits of a city with a population of 5,000 or more. A growing number of towns and cities of various sizes incorporate many miles of low-density rural land around the city's core population. This means that some rural tourist destinations that should, for practical purposes, be eligible for the TOD sign program, would not be eligible. Officials should explore how to change the language and still comply with federal standards.

OTHER  
OPPONENTS  
SAY:

Under a recent Texas constitutional amendment, wineries can operate in "dry" counties but are not allowed to post billboards in dry counties. Although TxDOT may not consider these proposed directional signs to be billboards, some residents of dry counties could have a different point of view. These residents have expressed their preferences through elections regarding their desire to keep their counties dry, and they could feel these

signs were not honoring their wishes with respect to all the trappings of being a dry county.

Although the intent of the bill would be to support agri-tourism but not to allow signs for convenience stores and truck stops, which would clutter up the roadways, the language is broad enough that a store might make the case that it was eligible for a sign.

To be in keeping with federal rules, signs in the proposed TOD program could not be used to direct a motorist more than two turns off a major road. However, there is a higher probability that a tourist will become lost when a large number of turns are involved to get to the destination. TxDOT rules should address what to do if non-state signs guiding tourists the rest of the way to a destination were destroyed or became unreadable. It would be inappropriate for a state sign to lead motorists off the road to a destination that could not be found.

NOTES:

The committee substitute changed the original bill to comply with federal sign placement and mile limitation standards. It also specified that an eligible business would have to be related to agriculture or tourism, adjusted the timeline for approving program applications, changed the amount remitted to TxDOT for a program sign, and specified certain restrictions on the rules the commission would have to adopt to administer the program, including that the rules adhere to federal standards.

SB 1137 by Madla, an omnibus wine industry bill, which includes a section proposing a Tourist-Oriented Directional Sign Program, passed the Senate by 29-0 on April 18 and was reported favorably, without amendment, by the House Agriculture and Livestock Committee on April 26.