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SECRETARY
OF THE SENATE

Michigan House of Representatives
Michigan Senate
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I am returning Enrolled Senate Bill 953 to you without signature. SB 953, which amends the Highway Advertising Act of 1972 (the "Act"), puts Michigan in jeopardy of losing millions of dollars in federal highway funding at a time when we must continue to aggressively invest in our infrastructure.

Federal law requires states to effectively manage outdoor advertising or face a 10% reduction in federal highway funds. As part of this effective management, Michigan has entered into a federal-state agreement that includes parameters to manage advertising on federally funded roadways. SB 953 contains substantial revisions to multiple sections of the Act which conflict with federal law, regulation, or the federal-state agreement. For example, SB 953's revisions to definitions regarding commercial areas, nonconforming and directional signs puts Michigan in direct violation of the federal-state agreement and federal regulation. This conflict has been confirmed in consultation with our federal partners at the Federal Highway Administration.

I appreciate that the Legislature included severability clauses in an effort to save the legislation should SB 953 be found in conflict with federal law. But I believe it inappropriate to make substantial revisions to the Act that conflict with federal law and regulation on the hope that the federal government will change its position on this issue.

Finally, the Act's stated purpose is to "improve and enhance [the] scenic beauty" of Michigan's highways consistent with federal law while balancing protected commercial speech. SB 953 goes too far in limiting the Department of Transportation's ability to effectively manage outdoor advertising as required by federal law and it could cost Michigan \$100 million in federal highway funding.

The issues outlined in this letter represent only a portion of my concerns with SB 953. The risk of losing federal highway funding far outweighs the policy goals that SB 953 would otherwise achieve. Accordingly, I return SB 953 to you without my signature.

Sincerely,

Rick Snyder
Governor