

# COMMERCIAL SIGNS

- Highway Beautification Act
- Regulation of Commercial Signs
- Licensing & Permitting
- Scenic Byways
- Campaign Signs



2019-2020  
EDUCATIONAL  
SERIES

# COMMERCIAL SIGNS

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## OVERVIEW

The Texas Department of Transportation (TxDOT) regulates the display of commercial signs along highways regulated by the federal Highway Beautification Act and commercial signs on all other highways and roads located outside of the corporate limits of cities, towns and villages in Texas under the State Rural Roads Act. The following is an overview of the laws governing commercial signs, such as billboards, and the roles that TxDOT and municipalities play in regulating, licensing and permitting commercial signs.



## HIGHWAY BEAUTIFICATION ACT

TxDOT is responsible for administering and enforcing the Highway Beautification Act and the State Rural Roads Act. The Texas Legislature passed the Highway Beautification Act in 1972 to comply with the Federal Highway Beautification Act of 1965, which requires that each state regulate commercial signs along interstate and primary highways. In the same year, TxDOT also entered into a federal-state agreement under which the state agreed to enforce the “effective control” of commercial signs. The consequence for failure of TxDOT to effectively control commercial signs is the loss of up to 10 percent of certain federal transportation funding.

The four categories of funding that are put at risk by failure to maintain effective control of commercial signs are:

1. National Highway System.
2. Congestion Mitigation and Air Quality.
3. Surface Transportation Program.
4. Interstate Maintenance. In 2018, these four categories of funding totaled \$3.455 billion of TxDOT’s federal highway funding. If imposed, a 10 percent penalty could deprive Texas of \$345.5 million annually.



## REGULATION OF COMMERCIAL SIGNS

TxDOT’s regulation of commercial signs along interstate and primary highways applies to any commercial sign located within 660 feet of the highway right of way inside urban areas. Outside of urban areas, regulation extends to include any commercial sign that is visible from the main traveled way of a highway. Commercial signs within these distances are prohibited unless the location is in a defined commercial or industrial area.

In addition to regulation along interstate and primary highways, the State Rural Roads Act ensures the regulation of commercial signs erected along all non-interstate or non-primary highways and roads on the state highway system that are outside of the jurisdiction of a municipality.

If a municipality has been certified by the state to regulate commercial signs, a state permit is not required within the municipal limits. A municipality’s zoning ordinances and local regulations control where signs may be located. Local ordinances may be more or less restrictive than state regulations, but may not violate either federal regulations or the 1972 federal-state agreement.

## LICENSING & PERMITTING

Before an entity may erect or maintain a regulated commercial sign, that entity must obtain a commercial sign operator’s license from TxDOT that must be renewed annually. After a license is issued, the commercial sign owner may apply for a permit. A permit is only valid for the location indicated on the original application and only for the commercial sign described on that application. A permit is valid for one year, must be renewed annually and is required for each sign.



**Commercial Signs  
Regulatory Program**



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For more information please visit  
[www.txdot.gov](http://www.txdot.gov) keyword search  
 "Commercial Signs Regulatory Program".

When the original highway beautification laws were first adopted, certain existing commercial signs were grandfathered and allowed to remain in place as non-conforming commercial signs. Commercial sign locations that were more recently permitted under the Highway Beautification Act may also become non-conforming due to a change in law, regulation or commercial sign conditions.

Under both federal and state laws and regulations relating to commercial signs, many restrictions apply to non-conforming commercial signs. Most of these restrictions are designed to require these commercial signs to remain in substantially the same condition that they were in when they became non-conforming. A grandfathered commercial sign cannot be replaced with a new billboard and can only be maintained on a limited basis. If a commercial sign is not properly maintained under the non-conforming regulations and the permit for the commercial sign at such a non-conforming location is cancelled, the location is then permanently lost.

## SCENIC BYWAYS

The National Scenic Byways Program, which is managed by the United States Department of Transportation's Federal Highway Administration, was created in 1991 to facilitate conservation of intrinsic landscape qualities, to stimulate local economic development through tourism and to regulate outdoor advertising.

The program requires a corridor management plan for each byway and offers various forms of technical assistance provided by the National Scenic Byways Organization. It also prohibits new outdoor advertising on designated scenic byways. A relatively small amount of federal funding is available for the program nationally.

While a scenic byways program offers the potential public benefits of landscape preservation and increased rural tourism, direct benefits to landowners are less clear. These owners must bear the costs of maintaining the property that would be directly affected by a corridor management plan. Landowners may also be negatively impacted by tourism. A state-level program has not been implemented in Texas.



## CAMPAIGN SIGNS

Chapters 392, 393 and 394, Texas Transportation Code, specifically prohibit the placement of campaign signs on or within any public right of way. This includes placement on trees, telephone poles, traffic signs and other objects on the right of way. TxDOT employees, a county sheriff or a constable, depending upon the jurisdiction can remove signs that violate state law.

Some additional guidelines:

- Signs may only be placed on private property along highways with the owner's permission.
- The sign cannot contain commercial endorsement.

A candidate considering placing a sign inside of incorporated municipal limits should check with the local government as the signs may be subject to local ordinances as well.



**CAMPAIGN SIGN  
INFORMATION**



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For more information on campaign signage or state ethics please visit [www.ethics.state.tx.us](http://www.ethics.state.tx.us)

# TEXAS DEPARTMENT OF TRANSPORTATION



## VALUES:

### People

People are the Department's most important customer, asset, and resource. The well-being, safety, and quality of life for Texans and the traveling public are of the utmost concern to the Department. We focus on relationship building, customer service, and partnerships.

### Accountability

We accept responsibility for our actions and promote open communication and transparency at all times.

### Trust

We strive to earn and maintain confidence through reliable and ethical decision-making.

### Honesty

We conduct ourselves with the highest degree of integrity, respect, and truthfulness.

## VISION:

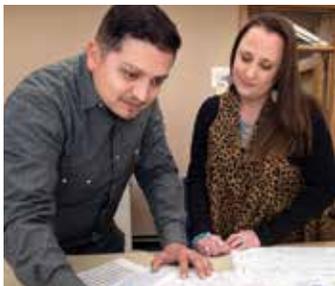
A forward-thinking leader delivering mobility, enabling economic opportunity, and enhancing quality of life for all Texans.

## MISSION:

Through collaboration and leadership, we deliver a safe, reliable, and integrated transportation system that enables the movement of people and goods.

## GOALS AND OBJECTIVES:

- **Deliver the Right Projects** – Implement effective planning and forecasting processes that deliver the right projects on-time and on-budget.
- **Focus on the Customer** – People are at the center of everything we do.
- **Foster Stewardship** – Ensure efficient use of state resources.
- **Optimize System Performance** – Develop and operate an integrated transportation system that provides reliable and accessible mobility, and enables economic growth.
- **Preserve our Assets** – Deliver preventive maintenance for TxDOT's system and capital assets to protect our investments.
- **Promote Safety** – Champion a culture of safety.
- **Value our Employees** – Respect and care for the well-being and development of our employees.



This document is part of an educational series on transportation issues produced by the Texas Department of Transportation. This document, the full Educational Series and other helpful resources can be found online at [www.txdot.gov](http://www.txdot.gov) keyword search "State Legislative Affairs".