



**House
Legislative
Analysis
Section**

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HOSPITAL SIGNS ON HIGHWAYS

**Senate Bill 396 (Substitute H-1)
First Analysis (7-10-01)**

**Sponsor: Sen. Thaddeus G. McCotter
House Committee: Transportation
Senate Committee: Transportation and
Tourism**

THE APPARENT PROBLEM:

Sometimes travelers pass through unfamiliar territory en route to their destinations and find themselves in need of emergency medical care. On these occasions, highway signs are helpful when they note the names of nearby hospitals that provide 24-hour emergency services.

To ensure that all hospital-based emergency rooms are signed for passing motorists, legislation has been proposed to mark highway exits that are within two miles of a hospital. The sign—each bearing the hospital’s name and exit number--would be provided by the Department of Transportation upon the request of a hospital, and the hospital would bear the cost of placing and maintaining the sign.

THE CONTENT OF THE BILL:

The bill would amend Public Act 205 of 1941, which provides for the construction and maintenance of limited access highways, to require the Department of Transportation to place and maintain, on all limited access highways, signs indicating exits that were within two miles of a hospital that provided 24-hour emergency care, if the hospitals requested the signs. Senate Bill 396 specifies that the signs would have to indicate the hospital’s name, or the name of the nonprofit corporation that owned or operated the hospital, and the exit number of the exit that was within two miles of the hospital. Further, at least one sign would have to be placed for each exit that was within two miles of a requesting hospital. The cost of placing and maintaining the sign would be paid by the hospital requesting the signs.

Under the bill, the department would be required to adopt guidelines specifying the size, shape, design, number, and placement of the signs authorized under the bill. Further, the department would be prohibited from removing signs on limited access highways that already exist, and that indicate exits within 10 miles of a hospital that provides 24-hour emergency care,

but that do not otherwise satisfy the requirements of this legislation.

MCL 252.52

HOUSE COMMITTEE ACTION:

The House Transportation Committee adopted a substitute to the Senate-passed version of the bill which altered the bill in four ways. First, the committee members added language to specify that the Department of Transportation must provide a sign to indicate the name of the hospital “or the name of the nonprofit corporation that owns or operates the hospital.” Second, language was adopted to make voluntary the decision to place signs for each individual hospital, so that placement would not be undertaken until it was requested by a hospital. Third, Senate Bill 396 (H-1) provides that the cost of placing and maintaining the sign would be paid by the hospital requesting the sign. Fourth, the House substitute bill adds a definition for “hospital” to mean a health facility licensed under Part 215 of the Public Health Code.

BACKGROUND INFORMATION:

In its fiscal note dated May 24, 2001 the Senate Fiscal Agency noted that the Senate-passed version of the bill would have resulted in additional costs to the Department of Transportation (MDOT). The agency observed that according to the Department of Consumer and Industry Services, there are 174 hospitals that would require signs. If satellite locations were taken into consideration, then over 250 locations would require signs. Based on MDOT estimates for the signs at \$2,000 each, the Senate-passed version of the bill would have increased state costs by \$1 million, assuming two signs per location.

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FISCAL IMPLICATIONS:

The House Fiscal Agency notes that the Department of Transportation estimates that the signs required by the bill can cost up to \$2,000 each, depending on a number of factors. The bill requires that the cost of placing and maintaining the signs be paid by the requesting hospital. As a result, additional state costs of placing and maintaining signs required by the bill would be offset by contributions from the requesting hospitals. The HFA concludes that the bill would have no state or local fiscal impact. (6-28-01)

Because its Legislative Policy Panel has not had the opportunity to review Senate Bill 396, the Michigan Health and Hospital Association has no formal position on the bill at this time. (6-28-01)

ARGUMENTS:***For:***

There is great service value in the traditional blue "H" signs that currently designate the availability of 24-hour emergency medical care along the roadways, and it is fitting that the "H" signs are distributed, placed, and maintained by the taxpayers, at no cost to the hospitals. The additional signs proposed by this legislation would improve public service and could increase citizen safety. Further, the cost of improving consumer information would be borne by the hospitals themselves. This seems appropriate since the highway signs that explicitly name each hospital would allow hospitals to compete with each other for clients who need their services.

Against:

Although signs can be helpful when they cite the location of hospitals in order to announce the availability of nearby 24-hour emergency care, this kind of highway signage may, itself, be unsafe. The proliferation of signs along the highway has increased with time. So, too, has traffic congestion as more vehicles use the road system. The two conditions in combination now provide more distractions for drivers with the result that driver reaction times are slowed, and travel on our roadways is becoming more unsafe. In an effort to curb sign placements in order to ensure driver safety, and also to preserve the natural beauty of the landscape, the Department of Transportation supports an effort to consolidate highway naming processes and procedures, and to limit additional highway sign markers. The proposal is embodied in House Bill 4878, currently pending before the House.

POSITIONS:

The Department of Transportation does not support the bill. (6-28-01)

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.