

BIG BILLBOARDS, BIGGER REGULATIONS

QUICK STATS

- ✘ **CONFERENCE:** Regulation
- ✘ **TEAM:** Department of Transportation
- **FUMBLE:** Broad highway regulations threaten Times Square billboards
- **HOW TO RECOVER THE BALL:** Regulators need to calculate the unintended consequences of their regulations prior to implementation

Times Square in New York City is one of America's most iconic locations, but even it is not protected from an uncertain regulatory environment. Broadway and 7th Avenue, which combine to form Times Square, are classified as major arterial roads under the 2012 Moving Ahead for Progress in the 21st Century Act (MAP-21) by the National Highway System. They are also packed with large, iconic billboards. The 1965 Highway Beautification Act limits signage along the National Highway System to 1,200 square feet or less. This 1965 law, originally intended to prevent huge billboards from obstructing views along interstates in primarily rural areas, presents an unfortunate side effect for many of the Times Square billboards that are significantly larger than the 1,200 square-foot limit and subjected to federal scrutiny.⁹⁰

FHWA stated, "The penalty for not providing effective control of outdoor advertising remains at 10 percent of the funds that would otherwise be apportioned to the State."⁹¹ The future of these iconic billboards, which serve as a backdrop for countless tourists, remained uncertain for several months this year until FHWA stated the billboards would not be removed, funding would not be reduced, and an agreement *would* be negotiated. However, uncertainty still exists for New York City and

others because no final resolution has been announced by the federal government.



Photo: Sean Pavone/Shutterstock

RECOVERY

It is time for DC to stop telling every city and state how large or small their road signs can be. Millions of American families visit New York City each year to enjoy Times Square and its glowing billboards. The existence of lucrative American landmarks like these billboards (a *Wall Street Journal* article noted that one billboard alone brought in \$23 million annually) should not be threatened by federal regulators, especially when the original law did not intend to impact them.⁹² Regulators should provide cities and businesses with common-sense flexibility. Congress should also work with FHWA to bring long-term certainty to Times Square and the nation by eliminating this regulation.

[For more information, please visit:](#)

[Federal Highway Administration: National Highway System Questions and Answers](#)

[The Washington Post: How the federal government could use conditional spending to force the removal of Times Square billboards \(UPDATED\)](#)

[The Wall Street Journal: Ads, Not Tenants, Make Times Square](#)