Subject: Policy on Sponsorship Acknowledgment and Agreements within the Public Right-of-Way

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Par.

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1. **What is the purpose of this directive?** Sponsorship opportunities benefit the traveling public with an improved transportation system by providing flexibility for public agencies to pursue innovative sources of financing for maintenance and construction activities and other highway-related services. With this additional revenue, public agencies have the means to provide services critical to enhancing the safety and efficiency of the nation’s highways. This directive provides the Federal Highway Administration’s (FHWA’s) policy on sponsorship acknowledgment and sponsorship agreements within the public right-of-way. This directive further serves to streamline and emphasize information pertaining to the acknowledgment of sponsorships by consolidating information previously issued.

2. **Does this directive cancel an existing FHWA directive?** No. This is a new FHWA directive. However, this directive replaces the following FHWA memorandums:
   
b. Safety Issues Related to Use of Acknowledgment and Advertising Signs on Toll Facilities, issued February 28, 2007; and

c. Rest Area Sponsorship Policy Interpretation, issued July 8, 2011.

3. **What is the background of this directive?**

a. State and local highway agencies and private sponsors have raised a number of questions with respect to the FHWA’s guidance on sponsorship agreements and how a sponsor can be acknowledged for the service provided under a sponsorship agreement.

b. Sponsorship programs are growing in popularity and are becoming a significant opportunity for highway agencies to generate critical support needed to build, operate, and maintain key facilities and services, including, but not limited to, adopt-a-highway litter removal programs, maintenance of a parkway or interchange, rest area operation and maintenance, other highway maintenance or beautification sponsorship programs, travel information services, and emergency service patrols. One of the most common ways for highway agencies to recognize the support provided by sponsors is through acknowledgment signs. However, there are a number of other options to recognize sponsors, including acknowledgment on in-vehicle transponders, service patrol vehicles, maintenance vehicles, outreach and educational materials, and Internet Web sites, as well as within telephone messages such as those of 511 systems. The FHWA continues to strongly encourage agencies to make use of these other opportunities for sponsor recognition or acknowledgment whenever possible and appropriate so that the number of additional signs and informational load imposed on the driver can be minimized.

4. **What is the scope of this directive?** The provisions of this directive apply to all types of highways that are open to public travel.

5. **What authorities govern this directive?**

a. Title 23, United States Code (U.S.C.), Section 109(d), Standards for Federal-Aid Highways.

b. 23 U.S.C. 131, Control of Outdoor Advertising.

c. 23 U.S.C. 156, Proceeds from the Sale or Lease of Real Property.


e. Title 23, Code of Federal Regulations (CFR), Section 1.23(b), Rights-of-way.

g. **Manual on Uniform Traffic Control Devices (MUTCD)**, published by FHWA under 23 CFR Part 655, Subpart F.


j. **49 CFR 1.48(b)**, Delegations to Federal Highway Administrator.

6. **What definitions are used in this directive?**

   a. **Highway.** Any street or roadway that is open to public travel.

   b. **Sponsorship program.** A program that allows a person, a firm, or an entity to sponsor an element of a public agency’s highway operation through the provision of highway-related services, products, or monetary contributions.

   c. **Sponsorship agreement.** An agreement between a recipient agency and a sponsoring organization to be acknowledged for a highway-related service, product, or monetary contribution provided.

   d. **Driver distraction.** Driver inattention to the driving task at hand, resulting from internal or external events or actions.

   e. **Advertisements/advertising signs.** Signs or other devices that promote commercial products or services through slogans and information on where to obtain the products and services.

   f. **Acknowledgment signs.** Signs that are intended only to inform the traveling public that a highway-related service, product, or monetary contribution has been sponsored by a person, firm, or entity.

   g. **Highway right-of-way.** A strip of property, owned by a highway agency, within which a highway (as defined above) exists or is planned to be built. The highway right-of-way consists of all lands within the defined highway right-of-way limits, including airspace above and below the facility. This area typically includes, but is not limited to, the roadway(s), shoulders, and sidewalk(s), if any; areas for drainage, utilities, landscaping, berms, and fencing; rest areas; and the defined clear zone.
h. **Public agency.** An agency that owns the highway on which signs are to be placed and to which the sponsorship policy and agreements apply.

i. **Recipient agency.** An organization that directly receives the highway-related service, product, or monetary contribution from the sponsor entity. The recipient might be the public agency, or a contractor engaged by the public agency to administer the highway-related service.

7. **What is the FHWA’s policy concerning sponsorship acknowledgment and agreements?**

a. **General principles**

(1) It is the FHWA’s policy to allow the use of signs to acknowledge the provision of highway-related services under both corporate and volunteer sponsorship programs. It is essential that good, basic engineering practices be followed, such as simplifying sign message content, using reasonable sign sizes consistent with the provisions of the MUTCD, and minimizing driver distraction.

(2) The FHWA recognizes a distinction between signing intended as advertising and signing intended as a sponsorship acknowledgment. Advertising generally has little, if any, relationship to a highway service provided. Instead, the advertiser seeks to get its recognizable message, company emblem, or logo before the public, and if possible, information on how or where to obtain the company’s products or services. In most cases, if the sign goes beyond recognizing the company’s contribution to a particular highway service or includes telephone numbers, Internet addresses, or directional information, the sign is more properly classified as an advertising sign and not as an acknowledgment sign.

(3) The use of highway right-of-way for advertising purposes is not allowed.

   (a) When advertising within the highway right-of-way is identified, the FHWA Division Administrator should take timely notice and develop a plan for corrective action to bring the State into compliance with the CFR.

   (b) This policy position is consistent with the principles and intent of several laws and regulations including 23 CFR 1.23(b), 23 U.S.C. 109(d), 23 U.S.C. 131, and 23 CFR
Part 750. Furthermore, Paragraph 3 in Section 1A.01 in the MUTCD states, “Traffic control devices or their supports shall not bear any advertising message or any other message that is not related to traffic control.”

(c) These laws and regulations are based on safety and operational concerns, particularly as related to driver distraction. Highway signs and other traffic control devices convey crucial information. In order for road users to perceive and respond appropriately to critical information, the conspicuity of highway signs and other traffic control devices must be preserved so that the safe and orderly movement of traffic is not compromised.

b. **Sponsorship policies and agreements**

(1) In order to be eligible for acknowledgment within the public right-of-way, sponsorship policies and agreements should follow these principles:

(a) Sponsorship agreements can allow sponsors to provide products, services, or monetary contributions.

(b) Sponsorship agreements may be of any duration. However, these agreements should:

1. be economically sustainable and provide a net benefit to the public, and

2. include provisions for maintenance and removal of physical elements after the agreement expires or the sponsor withdraws.

(c) Agreements can be applicable to a site, a corridor, or a specific highway operation. If a sponsor is making a monetary contribution, the recipient agency needs to identify specific sites, corridors, or operations supported by the monetary contribution in the sponsorship agreement.

(d) If Federal-aid funds were used within the corridor or facility for which sponsored services are being provided, then monetary contributions received as a part of sponsorship agreements shall be spent for highway purposes.
(e) All sponsorship agreements involving the Interstate highway system should be approved by the FHWA Division Administrator.

(2) If a State or local public agency elects to have a sponsorship program, then the State department of transportation for that State should have a policy on sponsorship agreements that is applicable to all highways within that State. These policies are to:

(a) be approved by the appropriate FHWA division office;

(b) include requirements that eligible sponsoring organizations must comply with State laws prohibiting discrimination based on race, religion, color, age, sex, national origin, and other applicable laws;

(c) include a termination clause for sponsorship agreements based on:

1 safety concerns,

2 interference with the free and safe flow of traffic, or

3 a determination that the sponsorship agreement or acknowledgment is not in the public interest;

(d) include types of sponsors and agreements that are acceptable, consistent with applicable State and Federal laws;

(e) establish a requirement that the sponsorship money for Federal-aid facilities be used only for highway purposes; and

(f) establish a recommendation that the sponsorship money for non-Federal-aid facilities be used only for highway purposes.

(3) FHWA review and approval are only for the purpose of determining consistency with this Order and the MUTCD. States and local public agencies are responsible and liable for ensuring their policies and agreements are consistent with State and Federal laws.

(4) The provisions of this directive apply to new and revised agreements and are intended to promote a degree of national
uniformity and consistency. Existing State agreements do not have to be changed.

c. **Acknowledgment signs**

(1) Public agencies may acknowledge sponsors with acknowledgment signs. All acknowledgment signs shall meet the general principles and specific criteria prescribed in the MUTCD, including the provisions for acknowledgment signs in Section 2H.08. Furthermore, these acknowledgment signs shall not be placed at key decision points where a driver’s attention is more appropriately focused on traffic control devices, roadway geometry, or traffic conditions.

(2) Acknowledgment signs:

(a) must meet all design and placement guidelines for acknowledgment signs as covered in Part 2 of the MUTCD and all sign design principles covered in the Standard Highway Signs and Markings Book;

(b) must be placed near the site(s) being sponsored;

(c) must be placed at least 1 mile apart from each other if facing in the same direction and associated with the same element of the public agency’s highway operation, such as litter pickup; and

(d) should remain in place only for the duration of the agreement.

(3) For sponsorship of rest areas, one acknowledgment sign for each direction of travel may be installed on the highway mainline. Additional acknowledgment signs may be placed within the rest area, provided that these sign legends are not visible to highway mainline traffic and do not pose safety risks to rest area users. In accordance with the provisions of the MUTCD, the acknowledgment signs must not be appended to any other sign, sign assembly, or other traffic control device.

(4) For sponsorship of travel service programs that are not site-specific, such as 511 Traveler Information, Radio-Weather, Radio-Traffic, and Emergency Service Patrol, an acknowledgment plaque may be mounted in the same sign assembly below the General Service signs for these programs. The size of the acknowledgment plaque must not exceed the lesser of 1/3 of the area of the General Service sign below which it is mounted or 24 square feet. An
acknowledgment plaque must not exceed 1/3 of the area of the largest size prescribed in the MUTCD for a specified standard sign below which the plaque is mounted, even where the standard sign is enlarged in accordance with Sections 2A.11 and 21.01 of the MUTCD.

(5) The provisions of this directive apply to new and modified installations and are intended to promote a degree of national uniformity and consistency. Existing acknowledgment signs already installed do not have to be changed.

d. Policy conclusion

(1) If a proposed sponsorship agreement cannot meet the above criteria, acknowledgment signs should not be considered; however, the other forms of acknowledgment (such as acknowledgment on transponders, service patrol vehicles, maintenance vehicles, outreach and educational materials, and Internet Web sites, as well as within telephone messages such as those of 511 systems) may still be considered. Safe and orderly movement of traffic must not be compromised with the use of these acknowledgment signs. Safety is, in fact, the overriding issue when there is any doubt as to whether an acknowledgment sign is appropriate.

(2) The nature of highway financing is evolving, and private sector investment promises to be a significant source of revenue. Sponsorship programs are being used or considered by many States to meet current and future highway construction and maintenance needs. The FHWA will continue to work with highway agencies to assure that these programs are administered in a safe and effective manner.

8. What are the FHWA’s responsibilities?

a. FHWA Federal-aid Division Offices

(1) Inform public agencies of this Order.

(2) Review State policy on sponsorship acknowledgment in the highway right-of-way for consistency with this Order and the MUTCD, and approve if consistent.

(3) Review State sponsorship agreements for acknowledgment on Interstate highways for consistency with this Order and the MUTCD, and approve if consistent.
(4) Perform periodic review or risk-based assessment of State policy on sponsorship acknowledgement in the highway right-of-way.

b. **FHWA Office of Operations**

   (1) Provide guidance and technical assistance to division offices on issues related to sponsorship acknowledgement in the highway right-of-way.

   (2) Notify division offices of updates or changes to this policy and/or the provisions of the MUTCD related to acknowledgment signs.

9. **Where can I obtain additional guidance?** For more information or additional guidance on the provisions of the MUTCD and sponsorship acknowledgment with the public right-of-way, contact the [FHWA's MUTCD Team Leader](#).

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