Date of Hearing: June 22, 2026

ASSEMBLY COMMITTEE ON TRANSPORTATION
Lori D. Wilson, Chair
SB 990 (Grove) – As Amended March 25, 2026

SENATE VOTE: 40-0

SUBJECT: Highways: exit information

SUMMARY: Requires the California Department of Transportation (Caltrans), until January 1, 2037, to allow for the placement of information signs along southbound State Route (SR) 395 near the City of Ridgecrest as part of the state's Business Logo Sign Program (Program).

EXISTING LAW:

1) Vests Caltrans with possession and control of all state highways and the responsibility for the planning, design, construction, maintenance, and operation of the state highway system (Streets and Highway (SHC) Code §90).

2) Directs Caltrans to adopt rules and regulations that allow the placement of information signs near freeway exits located in rural areas identifying specific roadside businesses offering fuel, food, lodging, electric vehicle charging, camping services, pharmacy services, or approved attractions ("business logo signs"), and that prescribe the standards for those signs (SHC §101.7). Specifically, Caltrans must adopt rules that:

    a) Ensure all business applicants have equal access to the Program.

    b) Limit business logo signs to areas with a population of less than 5,000 as designated by the United States Census Bureau.

    c) Prohibits the removal of business logo signs placed before January 1, 2003, due solely to population growth in an urban area that results in a population of 5,000 or more but less than 10,000.

    d) Authorizes, despite the 5,000 person population limit, the placement of business logo signs along SR 65 within or on exits leading to the City of Lincoln.

    e) Authorizes, despite the 5,000 person population limit, the placement of business logo signs along Interstate 80 within or on exits leading to the City of Truckee.

    f) Requires Caltrans to prepare a report for the Senate and Assembly Transportation Committees on the implementation of the two exceptions to the population limit. This report must contain recommendations on whether or not signs should continue to be placed in urban areas with a population of 5,000 or more.

FISCAL EFFECT: The Senate Appropriations Committee referred this bill to the Senate floor pursuant to Senate Rule 28.8.

COMMENTS: *According to the author,* "This bill provides a narrow exception to allow business logo signage along U.S. Route 395 at the China Lake Boulevard exit serving Ridgecrest. Ridgecrest's essential services are not visible from the highway and are located several miles off the roadway, despite serving motorists traveling a remote 120-mile corridor with limited service options. The bill improves traveler awareness, supports fatigue mitigation on a rural highway, and aligns with prior legislative exceptions granted to similarly situated communities.

Ridgecrest exceeds the population threshold and location from the highway as its services are located several miles off U.S. Route 395, making them ineligible despite serving a remote corridor with widely spaced fuel and lodging options."

General vs. specific signs. Nationally, any device that guides, warns, or regulates motorists on public streets or highways must conform to standards promulgated by the U.S. Department of Transportation pursuant to the Manual of Uniform Traffic Control Devices (MUCTD). Each state is required to adopt a state-specific MUCTD "in substantial compliance" with the federal MUCTD. Both the federal and state MUCTD create a General Service Sign Program, which are white-on-blue signs and are intended to guide motorists to services that are not readily apparent to the driver from the freeway. A typical general service sign is rectangular and displays icons indicating a gas pump, hospital, food, lodging or electrical vehicle charging.

This bill pertains to specific signs that include named businesses under the state's Program, which was established in 1978, as authorized by federal law, to aid motorists travelling along Interstate-5. In 1992, the Legislature expanded the Program statewide but limited it to rural areas under 5,000 in population. The Program is designed to direct motorists to specific businesses (offering fuel, EV charging, food, lodging, camping, attractions) at or near rural freeway interchanges. Unlike general service signs, these signs display the logos of specific businesses, which, depending on the service, must be located no more than 1-10 miles from a sign, and must pay annual fees (e.g., $160-310) that cover the cost of the Program. Business logo signs can accommodate up to six logos and only four signs may be installed in a single location.

Ridgecrest would be the third city to seek exemption. The City of Ridgecrest is located at the eastern edge of Kern County with a population of roughly 28,000. Surrounded by four mountain ranges, including the Sierra Nevada to the west, Ridgecrest is the most isolated city in Kern County and arguably one of the most remote communities in the state. However, with a relatively sizable population, it is well served by gas stations, restaurants and lodging. As such, Ridgecrest appears to function as a service hub for the surrounding region—it may be the last reliable stop for the above services before long gaps (e.g., 120 miles to the south, 60 miles to the north)—in multiple directions despite being located several miles east of SR 395.

Supporters of this bill argue that the above conditions make it difficult for motorists to identify Ridgecrest as a potential stop for services. They assert that this creates unsafe conditions on the state highway as fatigued motorists drive past Ridgecrest not realizing they can stop in the city. Due to its population, the city is not eligible for the Program though general services signs do currently exist along the highway near exits leading to the city.

This bill, until January 1, 2037, makes an exception to the 5,000-population limit for the program by requiring Caltrans to authorize the placement of business logos on information signs at two exits north and south of Ridgecrest. The Legislature has made similar exceptions in two prior cases for the cities of Lincoln and Truckee. For the former, the construction of a bypass discouraged business activity in the city and population growth in the latter led to the removal of previous service signs. For signs installed prior to January 1, 2003, existing law prohibits Caltrans from removing signs until a population exceeds 10,000. Caltrans indicates that when this bill sunsets it would remove any information signs consistent with the MUCTD, which was revised in January to, in part, prohibit the installation of new signs in areas above 5,000 in population. This only refers to those areas that the Legislature has exempted from the statutory population threshold.

The statutory definition of rural may be outdated. The 5,000-population limit in existing law has not been revisited since the Legislature imposed it in 1992. Instead of entertaining multiple exceptions to this limit, the Legislature may wish to adjust this limit or at least give Caltrans greater discretion to install business logos in rural or urban areas if justified, especially for situations like Ridgecrest. In 2000, the Federal Highway Administration revised the federal MUCTD to permit business logo signs in all areas of a state so long as adequate sign spacing can be maintained, the intent of which is to minimize driver distraction or information overload.

However, in a 2020 report to the Legislature reviewing the Lincoln and Truckee business signs, Caltrans stated that it "…does not support expanding the business logo sign program to other urban areas because of the number of signs that could be requested at a single location and their potential effects on driver distraction." It appears that most of the research on sign clutter or driver distraction primarily implicates billboards, particularly electronic ones, and their potentially distracting effect on driving performance and safety.

Writing in support, the City of Ridgecrest states that "Ridgecrest is working hard to strengthen and diversify its local economy but continues to face economic health challenges common to rural and high-desert communities. Businesses in Ridgecrest rely heavily on pass-through travelers along California State Route 395, yet many motorists are unaware of the services, restaurants, lodging, retail options, medical facilities, fuel, and other amenities available just minutes off the highway."

Previous legislation. AB 1633 (Frazier), Chapter 158, Statutes of 2017) added EV charging facilities to the list of businesses eligible for the business logo sign program.

AB 223 (Dahle), Chapter 166, Statutes of 2015 authorized the placement of business logo signs along Interstate 80 within, or at exits leading to, the City of Truckee.

AB 178 (Gaines), Chapter 131, Statutes of 2013 authorized the placement of business logo signs along SR 65 within, or at exits leading to, the City of Lincoln. The bill also required Caltrans to submit a report to the Legislature by January 1, 2021, on the implementation of the exception and to make recommendations as to whether the exception should be expanded to other urban areas.

AB 1923 (Dickerson), Chapter 576, Statutes of 2002 prohibited the removal of business logo signs placed before January 1, 2003, in any urban area where population growth pushed the population above 5,000 but less than 10,000.

REGISTERED SUPPORT / OPPOSITION:

Support

City of Ridgecrest
Ridgecrest Area Convention & Visitors Bureau
Ridgecrest Chamber of Commerce
Ridgecrest Police Department

Opposition

None received

Analysis Prepared by: Dan Chia / TRANS. / (916) 319-2093