

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 539 (Delegate Carr)
Environment and Transportation

State Highway Administration - Evaluation of Urban Highways - Classifications
and Speed Limits

This bill requires the State Highway Administration (SHA) to evaluate the classifications of, and speed limits for, State highways in certain areas designated by the Maryland Department of Planning (MDP) in order to classify or reclassify the areas as business districts, residential districts, or urban districts. The bill specifies the criteria for the SHA evaluation, which must be complete by January 1, 2019.

The bill takes effect June 1, 2015, and terminates May 31, 2019.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase significantly, and likely by between \$1 million and \$3 million annually for more than one year between FY 2016 and 2019, depending on the timing and duration of the SHA traffic engineering contract and for SHA equipment and other costs; total costs to implement the bill may exceed \$5 million. MDP can implement the bill with existing resources. Revenues are not affected.

Local Effect: Local government workloads increase to coordinate with SHA and its contractors regarding highway reclassifications and appropriate speed limits. Local finances are not materially affected.

Small Business Effect: Minimal, except for any small business transportation engineering contractor that may be used to conduct the evaluations required by the bill.

Analysis

Bill Summary: SHA must evaluate the classifications of and speed limits for State highways (but not controlled access highways or expressways) in urbanized areas or urban clusters, as designated by MDP for classification or reclassification as business districts, residential districts, or urban districts. A “controlled access highway” generally refers to a highway where the residents adjacent to the road have no right of access, except at predetermined points, and an “expressway” is a major highway with several specified features, such as medians, wide shoulders, and grade separations. By contrast, a “highway” is very broadly defined and includes many different types of thoroughfares or ways of many different sizes used for vehicular travel.

As part of the evaluation required by the bill, SHA must (1) review the development activity along each applicable segment of highway and determine whether the segment meets the criteria of a business district, a residential district, or an urban district; (2) assess each highway segment with an updated classification to determine if the speed limit should be altered; (3) make available a written justification for any deviation from the maximum speed limits; and (4) determine the appropriate speed limit for any finished highway segment on which a reconstruction or repavement project begins on or after January 1, 2016. The speed limit for a reconstructed or repaved highway may not exceed the relevant maximum speed limit in the Maryland Vehicle Law unless SHA makes available a written justification for the deviation; SHA must adopt regulations governing such deviations. SHA must complete the evaluations required by the bill by January 1, 2019.

Current Law: A “business district” is defined as an area that includes a highway where at least 50% of the frontage along the highway, for a distance of at least 300 feet, is occupied by buildings used for business. “Residential district” is defined as an area that is not a business district and includes a highway where the property along the highway, for a distance of at least 300 feet, is improved mainly with residences or residences and buildings used for business. “Urban district” is defined as an area that includes any street and is built up with structures that are devoted to business, industry, or dwelling houses situated at intervals of less than 100 feet, for a distance of at least one-quarter of a mile.

Unless there is a special danger that requires a lower speed, the maximum lawful speeds on a highway are (1) 15 miles an hour in alleys in Baltimore County; (2) 30 miles an hour on all highways in a business district and on undivided highways in a residential district; (3) 35 miles an hour on divided highways in a residential district; (4) 50 miles an hour on undivided highways in other locations; and (6) 55 miles an hour on divided highways in other locations. A maximum speed limit of more than 65 miles an hour may not be established on any highway in the State.

Background: The U.S. Census Bureau designates urban-rural boundaries and areas as part of each decennial census. Generally, an “urban area” is considered by the Census to be urbanized areas with a population of 50,000 or more, as well as urban clusters of between 2,500 and 50,000 people, which meet other criteria. Federal regulations are updated periodically by the Census to revise the criteria used to assist in making these designations. The MDP website provides maps of the State and of each county showing the State’s designated urban areas after the 2000 and 2010 census. Urban areas, urbanized areas, and urban clusters are not defined by State law or regulation.

According to MDP, the percentage of county population living in an “urban area” in 2010 ranged from 16.1% and 24.0% in Garrett and Caroline counties, respectively, to 97.6% and 98.0% in Prince George’s and Montgomery counties, respectively; the entire population of Baltimore City lives within an urban area.

State Expenditures: TTF expenditures may increase by about \$4.43 million for SHA to contract with one or more traffic engineering and safety firms. This cost is assumed to be incurred over several years; for example, SHA estimated that the contract(s) could be structured over a three-year period beginning in fiscal 2016, with \$1.48 million incurred in each year between fiscal 2016 and 2018. However, the timing, duration, and amount of the contractual costs may vary significantly, resulting in potentially much greater costs in any year between fiscal 2016 and 2019. Nevertheless, TTF expenditures likely increase by between \$1 million and \$3 million annually for more than one year during the period between fiscal 2016 and 2019. Although the bill takes effect June 1, 2015, it is assumed that no costs are incurred in the one month of fiscal 2015 following the effective date of the bill, as the evaluations are not required to be completed until January 1, 2019.

SHA advises that its estimate is based on a unit cost of \$2,215 per mile and an inventory of 2,000 highway miles to be evaluated. The cost per mile includes all engineering and safety review work, administrative and overhead costs, and costs to outreach with the local governments in the affected areas. The actual cost may vary significantly to the extent that the negotiated contractual rate varies from this preliminary estimate. Further, the number of highway miles evaluated may vary after SHA undertakes a more thorough analysis of the number of affected highway miles.

TTF expenditures also increase further for SHA to procure and install additional signs that reflect the reclassified highway segments and updated speed limits. Preliminarily, SHA estimates total signage costs of roughly \$500,000, which includes 4,000 new signs at a cost of \$100 each, plus the mobilization of portable and changeable message signs. Finally, SHA estimates travel and overhead costs of about \$110,400. SHA has also assumed that these costs may be incurred in the same amount each year between fiscal 2016 and 2018, although the timing of these expenditures may vary considerably.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Planning, Maryland Department of Transportation, U.S. Census Bureau, Department of Legislative Services

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md/ljm

Analysis by: Evan M. Isaacson

Direct Inquiries to:
(410) 946-5510
(301) 970-5510