

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 562 (Delegate Carr, *et al.*)
Environment and Transportation

Speed Monitoring Systems - Exclusion of Vehicle Rental Companies - Repeal

This bill repeals the exclusion of motor vehicle rental companies for purposes of enforcement of violations recorded by speed monitoring systems. Motor vehicle leasing companies are not affected by the bill and retain their current exclusion.

Fiscal Summary

State Effect: Because rental companies may receive speed monitoring citations under the bill, there may be increased case filings with the District Court to contest the citations. However, the Judiciary can handle the bill's changes with existing resources. General fund revenues may increase minimally.

Local Effect: Local government revenues in jurisdictions using speed monitoring systems increase beginning in FY 2017. Any such impact cannot be reliably estimated. Any revenues that exceed the costs of implementing and administering speed monitoring programs must be used for public safety purposes.

Small Business Effect: Minimal. Small business motor vehicle rental companies may be affected if rented vehicles are cited for speeding by speed monitoring systems.

Analysis

Current Law: Chapter 15 of 2006 authorized the first use of speed monitoring systems in the State, but it only applied to highways in school zones and residential districts in Montgomery County. Chapter 500 of 2009 expanded statewide the authorization for the use of speed monitoring systems in school zones only. Chapter 474 of 2010 authorized the use of speed monitoring systems in Prince George's County on a highway located within

the grounds of an institution of higher education or on nearby highways under certain circumstances.

A speed monitoring system may be placed in a school zone for operation between 6:00 a.m. and 8:00 p.m., Monday through Friday. Before a speed monitoring system may be used in a local jurisdiction, its use must be authorized by the governing body by ordinance or resolution adopted after reasonable notice and a public hearing and its location must be published on the jurisdiction's website and in a newspaper of general circulation in the jurisdiction.

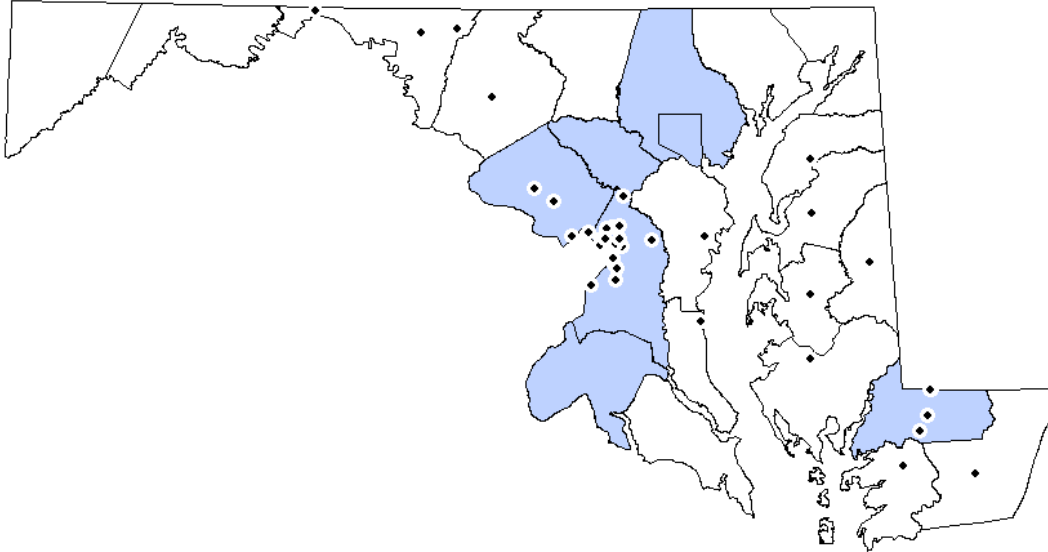
Unless the driver of a motor vehicle received a citation from a police officer at the time of the violation, the owner or driver of the vehicle is subject to a civil penalty if the vehicle is recorded speeding at least 12 miles per hour above the posted speed limit by a speed monitoring system in violation of specified speed restrictions in the Maryland Vehicle Law. The maximum fine for a citation issued by a speed monitoring system operator is \$40. However, a local law enforcement or other designated agency operating the speed monitoring system may mail a warning notice instead of a citation. Under current law, the definition of "owner" does not include a motor vehicle rental or leasing company for purposes of citations based on speed monitoring systems.

If the District Court finds that the person named in the citation was not operating the vehicle at the time of the violation or receives specified evidence identifying the person driving the vehicle at the time of the violation, the court must provide the agency issuing the citation a copy of any evidence substantiating who was operating the vehicle at the time of the violation. Upon receipt of evidence from the District Court, an agency may issue a citation as specified to the person the evidence indicates was operating the vehicle at the time of the violation. The citation must be mailed no later than two weeks after receipt of evidence from the District Court.

As shown in **Exhibit 1**, a number of counties and municipal corporations implement speed monitoring systems. The Department of Legislative Services advises that the map only reflects jurisdictions that have reported revenues to the Comptroller in fiscal 2014 and, therefore, may not include all jurisdictions that *currently* implement speed monitoring systems. Further, additional jurisdictions may be considering the use of (or discontinuance of the use of) speed monitoring systems at this time.

From the fines generated by a speed monitoring system, the relevant jurisdiction may recover the costs of implementing the system and may spend any remaining balance solely for public safety purposes, including for pedestrian safety programs. However, if the balance of revenues after cost recovery for any fiscal year is greater than 10% of the jurisdiction's total revenues, the excess must be remitted to the Comptroller. According to data from the Comptroller, no money was remitted in fiscal 2014 or 2015.

Exhibit 1
Local Speed Monitoring System Enforcement



Note: ● represents municipal corporations that operate speed monitoring systems;
■ represents counties that operate speed monitoring systems.

Source: Comptroller's Office; Department of Legislative Services

In fiscal 2014, the Comptroller reports that 46 local jurisdictions generated speed monitoring system fine revenues of about \$51.5 million, of which about \$19.7 million (38%) was retained by local jurisdictions for public safety programs after recovery of the costs of implementing the systems. The total revenues, expenditures, and net revenues retained for public safety declined significantly between fiscal 2013 and 2014, although most of the decrease in total and net revenues was due to the temporary cessation of speed monitoring in Baltimore City. Nevertheless, nearly two-thirds of the jurisdictions that reported revenues to the Comptroller in both fiscal 2013 and 2014 reported a decrease in revenues for fiscal 2014.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Comptroller's Office, Judiciary (Administrative Office of the Courts), Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2016
me/ljm

Analysis by: Eric Pierce

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