

Department of Legislative Services
 Maryland General Assembly

FISCAL NOTE

House Bill 1197 (Delegate Pitkin)

Commerce and Government Matters

Vehicle Laws - Bicycle-Pedestrian Full Access 2001

This bill requires the State Highway Administration (SHA) and county highway agencies to provide paved shoulders that are at least four feet wide on all highways with traffic volumes of more than 2,000 vehicles per day. A bicycle lane parallel to the highway may be used as an alternative, but, a sidewalk may not be designated as a bicycle pathway.

The bill establishes a Bicycle-Pedestrian Safety Program in order to: (1) improve the safety of bicyclists; (2) improve rider skills; and (3) enhance public awareness of bicycle safety. The Motor Vehicle Administration (MVA), a State or community college, a State university, an agency of a political subdivision or any other person approved by the MVA may operate a bicycle safety training center and offer bicycle safety courses. The MVA must adopt regulations to implement the training centers and courses, and is authorized to collect a fee for any course offered at a bicycle safety training center that it operates or approves. The fee will be credited to the Bicycle-Pedestrian Safety Program Account in the Transportation Trust Fund (TTF). The bill further requires a 20% surcharge on certain traffic violations that will be credited to the account, which will fund the Bicycle-Pedestrian Safety Program.

Fiscal Summary

State Effect: TTF expenditures could increase by \$1.4 million in FY 1999 for personnel and start-up costs for the Bicycle-Pedestrian Safety Program. Future years reflect ongoing personnel expenditures. Costs to construct paved shoulders are expected to be \$592.2 million over an indeterminate amount of time. Indeterminate effect on TTF revenues.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
SF Revenues	--	--	--	--	--
SF Expenditures	\$1,378,300	\$364,700	\$373,100	\$381,800	\$390,800
Net Effect	(\$1,378,300)	(\$364,700)	(\$373,100)	(\$381,800)	(\$390,800)

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: Potential significant impact on local expenditures.

Small Business Effect: Potential meaningful. To the extent that the MVA authorizes private individuals to provide bicycle safety courses, small businesses that provide such services could realize a significant increase in business.

Fiscal Analysis

State Expenditures: There are approximately 2,502 miles of State highway that have traffic volumes of greater than 2,000 vehicles per day and do not currently have paved shoulders that are four feet wide. Of these, 932 miles are considered to be closed in that curbs, gutters, drainage, sidewalks, utilities, and landscaping are beside the highway. The costs to pave shoulders on such closed sections of highway is estimated at \$467,000 per outside lane mile. The cost to pave shoulders on open sections of highway is about \$100,000 per outside lane mile. Accordingly, total cost to provide paved shoulders on State highways is expected to be approximately \$592.2 million.

The bill does not set a date in which the construction must be completed other than the date given in the bill's title. If the shoulders are to be constructed by 2001, the Maryland Department of Transportation's Consolidated Transportation Program would be significantly impacted. Other planned capital projects would need to be deferred in order to meet the requirements of the bill.

The bill creates the Bicycle-Pedestrian Safety Program in which the MVA may operate or authorize another entity to operate a bicycle safety training center. Based on the costs to implement and operate the Motorcycle Safety Program, it is estimated that it will cost the Bicycle-Pedestrian Safety Program Account in the TTF approximately \$750,000 in one-time costs to initiate the training center including designing a curriculum, creating an automated central registration system and establishing phone lines. Additionally, \$22,400 will recur annually to operate a toll-free telephone line and central registration system.

The bill authorizes the MVA to operate a mobile training center to provide courses at various locations throughout the State. Total expected costs for the operation of such a center is \$166,900. This estimate includes the costs of a mobile training center van, 200 bicycles, a trailer to transport bicycles, a truck to haul equipment, a public awareness van, vehicle maintenance, and gas.

The MVA will need additional employees to administer the Bicycle-Pedestrian Safety Program. TTF expenditures could increase by an estimated \$439,000 in fiscal 1999, which accounts for the bill's October 1, 1998 effective date. This estimate reflects the cost of hiring: a Program Coordinator; an Administrative Officer III; two Office Secretaries; a Public Affairs Officer; and four part-time contractual employees to provide seasonal help at the training center. The full-time employees will be responsible for administering the

program including certifying instructors, handling central registration, and managing the curriculum and courses at the training center. The expenditure estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. Future year expenditures reflect: (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

**Bicycle-Pedestrian Safety Program
FY 1999 Expenditures**

Automated Central Registration System	\$750,000
Toll-free Phone System	22,400
Mobile Training Center	166,900
Full and Part-time Personnel	<u>439,000</u>
Total	\$1,378,300

Should the MVA choose to authorize other entities to operate training centers as allowed in the bill, the need for such employees would decrease.

State Revenues: The bill requires that a 20% surcharge be attached to a fine imposed for a violation of a specified subtitle of the Transportation Article. Because this specific reference does not exist, it is assumed that the surcharge is to be applied to all traffic violations. The revenues from the surcharge are to be credited to the Bicycle-Pedestrian Safety Program Account in the TTF. In fiscal 1997, the District Court collected \$53.7 million in total traffic fine revenue which was credited to the general fund. Based on this, the Bicycle-Pedestrian Safety Program would receive approximately \$10.7 million annually.

However, it has been the experience of the District Court that whenever vehicle fines are increased, there is a significant increase in the number of defendants who elect to come to court rather than prepay the fine. While this may have some impact on total revenue collected, such an impact cannot be reliably estimated. Additionally, this could increase the operating expenditures for the District Court and could contribute to the need for additional judges, courtroom staff, and courtroom facilities.

The MVA may assess a fee on those who register to take a bicycle safety course through the training center. The amount of interest that would be generated by these types of courses cannot be reliably estimated at this time. It is not expected to have a significant impact on the revenues of the MVA or the TTF.

Local Expenditures: Counties and municipalities maintain approximately 82% of the roadways in the State. It is unclear to what extent these roads would fall under the parameters of the bill. However, the impact on the expenditures of the counties is expected to be significant. For illustrative purposes only, Prince George's County has approximately 1,650 miles of county roads. The county estimates that the cost to place shoulders on the applicable roads would be \$598,500 per mile including costs to purchase any necessary rights of way.

Information Source(s): Maryland Department of Transportation (Motor Vehicle Administration, State Highway Administration), Judiciary (The District Court), Prince George's County, Calvert County, Baltimore City, Department of Legislative Services

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Analysis by: Jody J. Minnich

Reviewed by: David B. Juppe

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710