

Department of Legislative Services  
 Maryland General Assembly  
 2000 Session

FISCAL NOTE

House Bill 760 (Delegate Dvorski. *et al.*)

Commerce and Government Matters

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**Maryland Transportation Authority - Toll Facilities - Toll Free Day**

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This bill requires the Maryland Transportation Authority (MdTA) to implement a toll free day each year on the day before the Thanksgiving holiday. MdTA may not collect tolls at any transportation facilities project under its jurisdiction on the toll free day. MdTA must: (1) take those steps necessary, including obtaining a modification of any trust agreement, to permit free access to and from transportation facilities projects in the State; and (2) undertake a public information campaign to inform motorists of the toll free day.

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**Fiscal Summary**

**State Effect:** Transportation Authority Fund revenues would decrease by \$575,000 in FY 2001. Future years reflect 2% growth. Transportation Authority Fund expenditures could increase significantly in FY 2001 to obtain bondholder consent for a toll free day.

(in dollars)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
SF Revenues	(\$575,000)	(\$586,500)	(\$598,200)	(\$610,200)	(\$622,400)
SF Expenditures	-	0	0	0	0
Net Effect	(\$575,000)	(\$586,500)	(\$598,200)	(\$610,200)	(\$622,400)

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - =indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** The MdTA collects tolls at its facilities every day per its agreement with its bondholders.

**Background:** MdTA operates and maintains the Susquehanna River Bridge, the Potomac River Bridge, the Chesapeake Bay Bridge, the Francis Scott Key Bridge, the Harbour Tunnel

Thruway, the Fort McHenry Tunnel, and the John F. Kennedy Memorial Highway.

The MdTA issues revenue bonds which are secured by a trust agreement between the authority and a corporate trustee. Tolls and other revenues from facilities operated by MdTA are pledged as security for revenue bonds of the authority.

**State Fiscal Effect:** Total toll revenue for fiscal 2001 for all the facilities in the State operated by MdTA is expected to be \$146.8 million. Revenue associated with the day before Thanksgiving, a particularly heavy travel day, is estimated at \$575,000. Accordingly, Transportation Authority fund revenue will decrease by \$575,000 in fiscal 2001. Future year losses reflect a 2% growth rate.

The MdTA's trust agreement with its bondholders prohibits free vehicular traffic except for specified vehicles such as law enforcement officers and emergency vehicles. The bill requires the MdTA to obtain consent from its bondholders to have a toll free day. MdTA says that legal and financial advisor fees to obtain this consent could reach \$200,000 in fiscal 2001. Further, the bondholders could require monetary compensation before providing consent to the toll free day. MdTA advises that such compensation could be as much as \$1 million.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Transportation Authority, Department of Legislative Services

**Fiscal Note History:** First Reader - February 28, 2000  
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