

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**

House Bill 326           (Delegates Heller and Hixson)  
Commerce and Government Matters

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**State Highway Administration - Bridge Sponsorship Program**

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This bill authorizes the State Highway Administration (SHA) to award the right to sponsor any bridge located on a State highway to the highest bidder in an open and competitive bidding process. SHA is responsible for the construction and maintenance of sponsorship signs placed at one entrance of the bridge that identify the sponsor. The highest bid must be sufficient to recover SHA's costs and must result in a surplus. The surplus would be distributed 70% to the Transportation Trust Fund (TTF) and 30% to the county agency with responsibility for highway maintenance in the county where the sign is placed.

The bill also specifies the length of each sponsorship, and the design, size, and placement of signs.

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**Fiscal Summary**

**State Effect:** Potential significant increase in TTF revenue.

**Local Effect:** Potential significant increase in revenues.

**Small Business Effect:** Minimal or none.

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**Analysis**

**Current Law:** None applicable.

**Background:** Sponsorship or naming rights have been used to generate revenue for sports facilities in Maryland and other states. For example, the owner of the Baltimore

Ravens paid the Maryland Stadium Authority \$10 million for the right to sell the name of what is now PSInet Stadium. Such a program has not been commonly used for state bridges and other transportation routes, according to the National Conference of State Legislatures. However, the Commonwealth of Virginia is considering a proposal from local business leaders to allow sponsorship of roads and Metrorail stations in Northern Virginia.

**State Fiscal Effect:** The State Highway Administration and the Maryland Transportation Authority are responsible for the maintenance of over 2,400 bridges in the State, including well-traveled, highly visible bridges such as William Preston Lane, Jr. Memorial Bridge (Chesapeake Bay Bridge) and the Francis Scott Key Bridge.

Revenue associated with the sponsorship of the larger, more visible bridges would probably be significant. However, Legislative Services does not have any information on which to base an estimate on the amount of interest that could be generated by such a program.

Expenditures would not be affected because the bill allows SHA to recover any costs associated with the construction and maintenance of sponsorship signs.

**Local Revenues:** The bill allows the local agency with responsibility for highway maintenance in the county where the sign is placed to receive 30% of proceeds of any sponsorship in that county. To the extent that bridges are sponsored in local jurisdictions, local revenues could increase. Local jurisdictions with more visible bridges can expect to receive a significantly larger share of the program's proceeds.

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### **Additional Information**

**Prior Introductions:** An identical bill was introduced as HB 905 in the 1999 session and received an unfavorable report from the Commerce and Government Matters Committee.

**Cross File:** None.

**Information Source(s):** Maryland Department of Transportation (State Highway Administration), National Conference of State Legislatures, Department of Legislative Services

**Fiscal Note History:** First Reader – February 2, 2001  
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