

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

Senate Bill 475 (Senator Pipkin)
Budget and Taxation

**Chesapeake Bay Bridge - Independent Inspection Required Before Toll, Fee, or
Penalty Increase**

This emergency bill requires the Maryland Transportation Authority (MDTA) to retain an independent entity to inspect all elements of the superstructure and substructure of the twin spans of the William Preston Lane, Jr. Memorial Bridge (Chesapeake Bay Bridge) using exacting and state-of-the-art technology prior to imposing an increase in Chesapeake Bay Bridge tolls, fees, or penalties.

Fiscal Summary

State Effect: As the requirement to inspect the bridge primarily codifies current practice, no fiscal impact is anticipated. Nevertheless, imposing a limit on MDTA's ability to independently fix or revise tolls may affect the trust agreement currently in place.

Local Effect: None.

Small Business Effect: None

Analysis

Current Law: MDTA has general supervision over all transportation facilities projects (including the Chesapeake Bay Bridge) and may do anything necessary and convenient to carry out its powers.

MDTA has the authority to set tolls on transportation facility projects under its supervision. Toll revenues, when combined with bond proceeds and other available revenues, are sufficient to pay maintenance, repair, and operating costs for

transportation facility projects that are not otherwise paid for; pay the interest and principal of any outstanding bond issues; create reasonable reserves for these purposes; and provide funds for the cost of replacements, renewals, and improvements.

Prior to fixing or revising tolls on any part of any transportation facilities project, MDTA must provide the Senate Budget and Taxation Committee, Senate Finance Committee, House Appropriations Committee, and House Ways and Means Committee information on the proposed toll charges, including the annual revenues generated by the toll charges; the proposed use of the revenues; and the proposed commuter discount rates.

Background: The Chesapeake Bay Bridge connects Maryland's Eastern Shore recreational regions with the metropolitan areas of Baltimore, Annapolis, and the District of Columbia. The original two-lane bridge was constructed in 1952, and the second three-lane bridge was constructed in 1973. The existing bridge is the only roadway crossing of the Chesapeake Bay in Maryland; approximately 27 million vehicles crossed the bridge in 2007. Traffic congestion on the bridge can be particularly severe, due in part to factors such as a lack of shoulder room to perform maintenance.

The 2004 *Bay Bridge Transportation Needs Report* estimates that, by 2025, traffic will increase on the bridge by at least 41% over 2001 levels on both weekdays (61,000 vehicles in 2001, increasing to 86,000 in 2025) and summer Saturdays (95,000 on an August Saturday in 2001, set to increase to 135,000 in 2025).

On August 10, 2008, a three-vehicle crash occurred on the Chesapeake Bay Bridge resulting in a tractor-trailer going through a concrete jersey wall and into the water below, killing the truck driver. The accident closed down the older, two-lane eastbound span of the bridge and prompted questions about the bridge's safety. An investigation after the accident revealed corrosion in some of the bolts that anchor the concrete jersey walls. Portions of the bridge were closed for weeks while inspectors assessed the problem and repairs were made.

In September 2008, Governor Martin O'Malley announced the establishment of a peer review group, composed of nationally recognized experts, to examine MDTA's bridge and tunnel inspection program and identify and evaluate best practices used throughout the United States. The peer review group is expected to submit a report containing findings and recommendations in April 2009.

The 2009 inspection of the Chesapeake Bay Bridge is currently underway and nearly complete. In fall 2008, MDTA hired a new consultant to complete the annual bridge inspection.

State Fiscal Effect: Since MDTA is required to have an independent inspection of the Chesapeake Bay Bridge done annually in accordance with its trust agreement with the Bank of New York, the bill primarily codifies current practice. Section 6.16 of this trust agreement says “(t)he Authority covenants that it will cause independent engineers or engineering firms or corporations having a nationwide and favorable reputation of skill and experience in such work to make an inspection of the Transportation Facilities Projects periodically in accordance with industry standards (but at least annually), to submit to the Authority a report or reports setting forth their findings as to whether the Transportation Facilities Projects have been maintained in good repair, working order and condition.” MDTA advises that bond rating agencies look favorably upon its ability to independently fix or revise tolls, and limits to this authority may result in an increased cost to borrow.

Additional Information

Prior Introductions: None.

Cross File: HB 882 (Delegate Sossi, *et al.*) - Environmental Matters and Ways and Means.

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

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Analysis by: Amanda Mock

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