

Department of Legislative Services  
 Maryland General Assembly  
 2013 Session

FISCAL AND POLICY NOTE  
 Revised

House Bill 1346

(Delegate Malone, *et al.*)

Environmental Matters

Judicial Proceedings

Vehicle Laws - Maximum Speed Limits on Highways

This bill increases the maximum authorized speed limit on a highway in the State from 65 miles per hour to 70 miles per hour.

Fiscal Summary

**State Effect:** Transportation Trust Fund (TTF) expenditures increase, potentially significantly, in FY 2014 for highway speed engineering studies. Maryland Transportation Authority (MDTA) nonbudgeted expenditures increase by at least \$350,000 in FY 2014 for highway speed engineering studies. TTF and nonbudgeted expenditures increase in FY 2015 and future years to the extent speed limits are changed and road engineering modifications are required. Revenues are not likely affected; however, to the extent speed limits are increased, general fund revenues may decrease minimally due to fewer citations being issued for exceeding the speed limit.

(in dollars)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	-	-	-	-	-
NonBud Exp.	350,000	-	-	-	-
Net Effect	(\$350,000)	\$0	\$0	\$0	\$0

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

**Local Effect:** None.

**Small Business Effect:** Minimal.

## Analysis

**Current Law:** Generally, a maximum speed limit of more than 55 miles per hour may not be established or continued on any highway in the State that (1) is not an interstate highway or an expressway or (2) would subject the State to federal funding sanctions. A maximum speed limit of more than 65 miles per hour may not be established on any highway in the State.

**Background:** According to the Federal Highway Administration, the management of speed through appropriate speed limits is an essential element of highway safety. In terms of traffic law, speed limits should reflect the maximum reasonable and safe speed for normal conditions. If lower speed limits are desired, engineering modifications and other measures should be implemented that reduce speeds to a level that would support a lower limit.

The Institute of Transportation Engineers advises that the most widely accepted method for establishing speed limits is to set the limit at or below the speed at which 85% of the traffic is moving. Research indicates that crash rates are lowest at that speed.

Speeding is one of the most prevalent factors contributing to traffic crashes. According to national data from the U.S. Department of Transportation, in 2010, speeding was a contributing factor in 32% of all fatal crashes, and 10,395 lives were lost in speeding-related crashes.

**Exhibit 1** shows the number of jurisdictions for each of several maximum allowable speed limits among the 50 states and the District of Columbia as reported by the Insurance Institute for Highway Safety in March 2013.

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### Exhibit 1 Number of Jurisdictions and Maximum Speed Limit

<u>Maximum Speed Limit on a Highway</u> (miles per hour)	<u>Number of Jurisdictions</u>
55	1
60	1
65	14
70	19
75	14
80	1
85	1

Source: Insurance Institute for Highway Safety

**State Expenditures:** TTF expenditures increase, potentially significantly, in fiscal 2014 to conduct highway speed engineering studies for highways throughout the State. For example, MDTA nonbudgeted expenditures increase by \$350,000 in fiscal 2014 to conduct engineering studies of just the John F. Kennedy Memorial Highway and Baltimore Harbor Tunnel; this estimate does not include studies of other State highways or MDTA facilities. In fiscal 2015 and future years, TTF and nonbudgeted expenditures increase for additional studies and to the extent highway speeds are adjusted and road engineering adjustments are required.

When highway speed limits are increased, installation of new signs and possibly guardrails is required for safety reasons. The fabrication and installation of ground-mounted signs costs approximately \$300 to \$500 per sign, and installation of guardrails and other roadside treatments averages \$25,000 per location.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Department of Transportation, Federal Highway Administration, Institute of Transportation Engineers, U.S. Department of Transportation, Insurance Institute for Highway Safety, Department of Legislative Services

**Fiscal Note History:** First Reader - March 7, 2013  
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