

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 1360 (Delegate Glass, *et al.*)
Environmental Matters

Vehicle Laws - Speed Monitoring Systems - Warning

This bill requires a local agency to mail a warning notice instead of a citation if the violation recorded by a speed monitoring system is the first one for the vehicle's owner or driver.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) revenues decrease beginning in FY 2015, potentially by as much as \$3.2 million in that year, as discussed below, as fewer speed monitoring system citations are issued and fewer administrative flag removal fees are collected following nonpayment of a citation. District Court caseloads decrease, potentially significantly, due to a reduction in the number of payments to process and trials to handle, beginning in FY 2015; however, clerical personnel are likely redirected to other tasks. General fund revenues decrease minimally due to fewer contested speed monitoring system citations.

Local Effect: Local government revenues decrease significantly beginning in FY 2015 as fewer speed monitoring system citations are issued and paid. Local government expenditures may increase to renegotiate contracts with speed monitoring system vendors. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Minimal.

Analysis

Current Law: Unless the driver of a motor vehicle received a citation from a police officer at the time of the violation, the owner or driver of the vehicle is subject to a civil

penalty if the vehicle is recorded speeding at least 12 miles per hour above the posted speed limit by a speed monitoring system in violation of specified speed restrictions in the Maryland Vehicle Law. The maximum fine for a citation issued by a speed monitoring system operator is \$40. However, a local law enforcement or other designated agency operating the speed monitoring system may mail a warning notice instead of a citation.

For the first 30 days after the *first* speed monitoring system is placed in a local jurisdiction, only warnings may be issued by any speed monitoring system.

Background:

Speed Monitoring Systems

Chapter 15 of 2006 authorized the first use of speed monitoring systems in the State, but it only applied to highways in school zones and residential districts in Montgomery County. Chapter 500 of 2009 expanded statewide the authorization for the use of speed monitoring systems in school zones. Chapter 474 of 2010 authorized the use of speed monitoring systems in Prince George's County on a highway located within the grounds of an institution of higher education or on nearby highways under certain circumstances.

Before activating an unmanned stationary speed monitoring system, a local jurisdiction must:

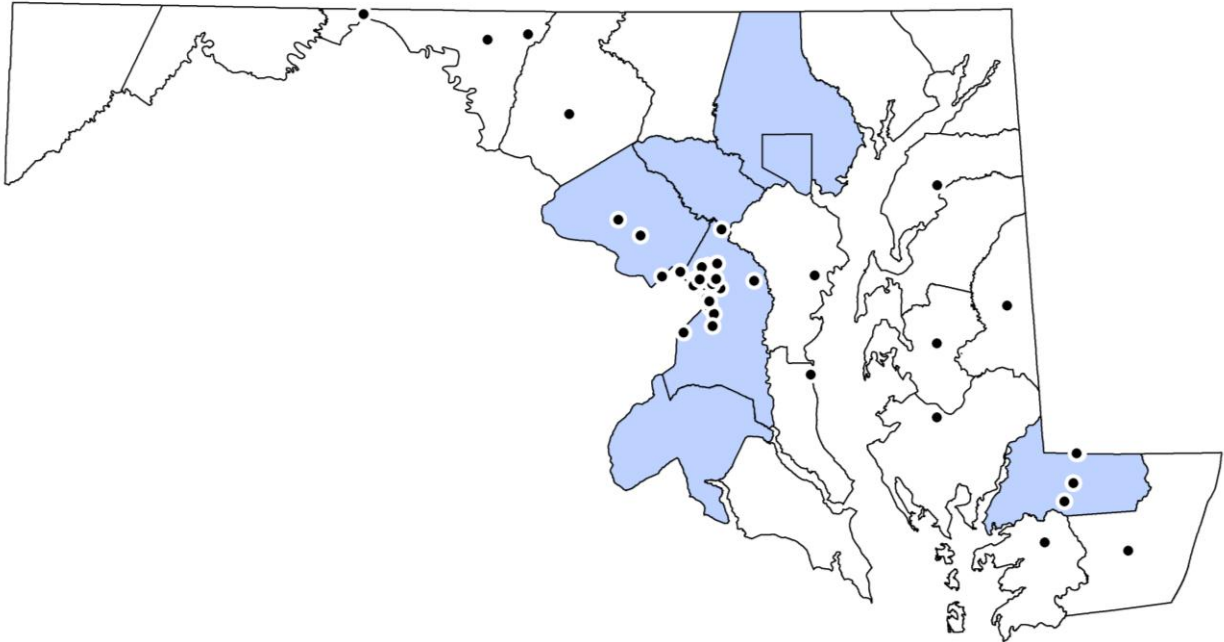
- publish notice of the location on its website and in a newspaper of general circulation in the jurisdiction;
- ensure that each school zone sign indicates that speed monitoring systems are in use in school zones; and
- for a speed monitoring system near an institution of higher education, ensure that all speed limit signs approaching and within the segment of highway on which the speed monitoring system is located include signs that indicate that a speed monitoring system is in use and that are in accordance with the manual and specifications for a uniform system of traffic control devices adopted by the State Highway Administration (SHA).

Before a speed monitoring system may be used in a local jurisdiction, its use must be authorized by the governing body by ordinance or resolution adopted after reasonable notice and a public hearing.

As shown in **Exhibit 1**, a number of counties and municipal corporations currently implement speed monitoring systems. The Department of Legislative Services advises that the map only reflects jurisdictions that have reported revenues to the Comptroller in

fiscal 2013 and, therefore, may not include all jurisdictions that *currently* implement speed monitoring systems. Further, additional jurisdictions may be considering the use of speed monitoring systems at this time.

Exhibit 1
Local Speed Monitoring System Enforcement



Note: ● represents municipal corporations that operate speed monitoring systems;
■ represents counties that operate speed monitoring systems

Source: Comptroller's Office; Department of Legislative Services

From the fines generated by a speed monitoring system, the relevant jurisdiction may recover the costs of implementing the system and may spend any remaining balance solely for public safety purposes, including for pedestrian safety programs. However, if the balance of revenues after cost recovery for any fiscal year is greater than 10% of the jurisdiction's total revenues, the excess must be remitted to the Comptroller. According to data from the Comptroller, about \$2.2 million was remitted in fiscal 2011 from five municipal corporations, but no money was remitted in fiscal 2012 or 2013. In addition, 45 local jurisdictions generated speed monitoring system fine revenues of about \$69.8 million, of which about \$36.3 million (52%) was retained by local jurisdictions for public safety programs after recovery of the costs of implementing the systems.

Recent Media Scrutiny

A number of bills were introduced in the 2013 legislative session, in part due to media scrutiny of speed cameras in Baltimore City and several other jurisdictions. This scrutiny has centered around two common criticisms of speed cameras: (1) that technical issues and insufficient review of recorded images result in erroneously generated citations; and (2) that the contracts with vendors are structured in such a manner as to establish an incentive to generate more citations and revenues, thereby casting doubt on the integrity or purpose of speed cameras.

Automated Speed Enforcement Efficacy

National and international studies of automated speed enforcement, as well as local program evaluations, provide some insight into the level of effectiveness of such enforcement mechanisms. According to the Insurance Institute for Highway Safety, several studies have documented reductions in crashes in the vicinities of speed cameras, including crashes that result in an injury or fatality. The most recent of these studies was a meta-analysis by the Cochrane Collaboration in 2010, which reviewed 28 individual studies and found reductions of between 8% and 49% for crashes, between 8% and 50% for crashes resulting in injury, and between 11% and 44% for crashes involving fatalities and serious injuries.

Locally, Prince George's County recently evaluated its speed monitoring system implementation and found that compliance with speed limits increased during the study period, on average, from about 20% of vehicles in certain locations before speed cameras were installed to about 67% after installation. This was based on an assessment of only seven locations, however. In Montgomery County, a 2009 review of its Safe Speed Program revealed that, on average, the number of citations generated by a speed camera decreased 78% between the first and twelfth months of the system's usage, and that the average speed of passing vehicles declined by 6%. Finally, according to data presented by the Maryland Association of Counties in February 2013, there have been reductions in the number of violations reported and the incidence of speeding measured by Baltimore City and Baltimore, Howard, and Montgomery counties.

More information is available on safety in work zones. Data from the National Work Zone Safety Information Clearinghouse shows that there were 609 fatalities in highway work zones nationwide in 2012, including six in Maryland. While the number of work zone fatalities in Maryland in 2012 is greater than the number in 2011, there has been a significant drop in the average number of fatalities in the three full years since the work zone speed control program began, as compared with the three full years prior to the program's commencement. Between 2010 and 2012, there was an average of 5.3 work zone fatalities per year in Maryland, a reduction of about 53% from the three-year average of 11.3 fatalities per year from 2006 through 2008. Nationally, there was also a similar, but much less significant, drop in work zone fatalities, with a 30% reduction in

the three-year average between 2010 and 2012, as compared with the period from 2006 through 2008. Federal data also shows that work zone fatalities, *as a percentage of total traffic fatalities*, have dropped in Maryland, using three-year averages from 2006 through 2008 and 2010 through 2012. Again, the reduction in Maryland is greater than the similar, but less significant, reduction nationally in terms of the percentage of traffic fatalities occurring in work zones.

State Revenues: TTF revenues decrease beginning in fiscal 2015 as the issuance of fewer speed monitoring system citations results in the collection of fewer administrative flag removal fees (currently \$30) following nonpayment of a citation. For example, 164,909 administrative flags imposed on the driving records of vehicles that failed to pay a speed monitoring system fine were removed in fiscal 2013. *For illustrative purposes only*, if the number of speed monitoring citations issued and the number of administrative flags removed decreased by 86% on an annual basis, under the assumptions discussed below, then TTF revenues decrease by about \$3.2 million, which accounts for the bill's October 1, 2014 effective date, and by about \$4.3 million on an annual basis. The actual revenue loss may vary significantly and depends on the reduction in the number of citations issued. The TTF revenue loss likely diminishes gradually in future years as a greater number of people are issued a first speed monitoring system citation and are no longer eligible to receive a warning in lieu of a citation under the bill.

Any such reduction in the number of administrative flags is assumed to result in redirection of staff.

District Court caseloads decrease, potentially significantly, due to an anticipated reduction in the number of payments to process and trials to handle under the bill's restriction on the issuance of citations; however, expenditures are not likely affected if personnel are merely redirected to other tasks. Finally, general fund revenues decrease minimally as fewer speed monitoring system citations are contested.

Local Revenues: A reliable estimate of the statewide decrease in local government revenues cannot be made at this time due to a lack of data regarding the percentage of speed monitoring citations that are issued to first-time violators in each jurisdiction and the rate of change of this percentage. However, *for illustrative purposes only*, local government revenues decrease for jurisdictions that operate speed monitoring systems statewide by about \$45.0 million in fiscal 2015, which reflects the following information and assumptions:

- Baltimore County reports that, in 2013, 86.0% of citations were issued to first-time violators;
- each jurisdiction that operates speed monitoring systems issues citations to first-time violators at the same rate as Baltimore County;

- \$69.8 million was collected by jurisdictions from speed monitoring system citations in fiscal 2013 and the same amount is assumed to be collected in fiscal 2015; and
- the bill takes effect October 1, 2014.

The actual decrease in local government revenues may vary to the extent that the statewide rate of citation issuance to first-time violators is different than experienced by Baltimore County in 2013, and to the extent that the amount collected by jurisdictions in fiscal 2015 varies from the amounts collected in fiscal 2013. Additionally, the revenue loss is likely to be less each year as a greater number of motorists are issued a speed monitoring citation for a first time.

Local Expenditures: Local government expenditures may increase significantly as jurisdictions that operate speed monitoring systems may need to renegotiate contracts with vendors due to the significant reduction in the number of paid citations. Many jurisdictions have structured contracts with speed monitoring system vendors to pay the vendor a certain amount of each paid citation. To the extent that the number of paid citations decreases significantly (as described by the illustrative example above) as a result of the bill, the vendor may be able to renegotiate contracts to limit the loss of revenue caused by the bill. Finally, expenditures may increase to the extent that jurisdictions dedicate other sources of revenue to maintain current levels of pedestrian safety and roadside enforcement resources.

Additional Information

Prior Introductions: HB 1465 of 2013 was referred to the House Rules Committee, but no further action was taken.

Cross File: None.

Information Source(s): Baltimore and Montgomery counties; the cities of Frederick and Havre de Grace; Judiciary (Administrative Office of the Courts); Maryland Association of Counties; Maryland Municipal League; Maryland Department of Transportation; Comptroller's Office; National Work Zone Safety Information Clearinghouse; Insurance Institute for Highway Safety; Cochrane Collaboration; Department of Legislative Services

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Analysis by: Evan M. Isaacson

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