

**Department of Legislative Services**  
 Maryland General Assembly  
 2014 Session

**FISCAL AND POLICY NOTE**

Senate Bill 157 (Senator Edwards, *et al.*)  
 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 may increase in FY 2015 for the State Highway Administration (SHA) to the extent that it conducts highway speed engineering studies regarding the effect of increasing the speed limit. Maryland Transportation Authority (MDTA) nonbudgeted expenditures increase by at least \$350,000 in FY 2015 assuming highway speed engineering studies are conducted. TTF and nonbudgeted expenditures may increase more significantly for signage and potentially for modifications to the extent the maximum speed limit is actually increased. 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 2015	FY 2016	FY 2017	FY 2018	FY 2019
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 altered speed limits are desired, engineering modifications and other measures should be implemented to accommodate speeds at the new speed limit.

According to the Maryland Department of Transportation (MDOT), the eighty-fifth percentile speed is the speed at or below which 85% of motorists drive on a given road when unaffected by slower traffic or poor weather. MDOT considers the use of the eighty-fifth percentile speed a good guideline for setting the appropriate speed limit for a road. MDOT advises that research has shown that the posted speed limit has little effect on the speeds at which most motorists drive. Thus, raising the speed limit, if done in accordance with traffic and engineering studies and in consideration of the eighty-fifth percentile guidelines, is unlikely to increase the number of crashes on a road.

According to the U.S. Department of Transportation, speeding is one of the most prevalent factors cited as contributing to traffic crashes. In 2011, speeding was cited as a contributing factor in 31% of all fatal crashes, and there were 9,944 fatalities in “speeding-related” crashes. In Maryland, speeding was a contributing factor in 29% of fatal crashes. Of these crashes in Maryland, about 48% occurred on roads characterized by the U.S. Department of Transportation as an interstate, freeway, expressway, or other arterial road; this is a greater percentage of fatal speed-related crashes occurring on these types of highways than for the United States as a whole (38%).

**Exhibit 1** shows the number of jurisdictions for each of several maximum allowable speed limits among the 50 states by the Insurance Institute for Highway Safety in January 2014.

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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>
60	1
65	11
70	22
75	14
80	1
85	1

Source: Insurance Institute for Highway Safety

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**State Expenditures:** TTF expenditures increase, potentially significantly, in fiscal 2015 to the extent highway speed engineering studies are conducted for highways throughout the State. For example, MDTA nonbudgeted expenditures increase by \$350,000 in fiscal 2015 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 2016 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. This estimate assumes that MDTA undertakes highway speed engineering studies in fiscal 2015.

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:** As amended by the House, HB 1346 of 2013 was heard by the Senate Judicial Proceedings Committee, but no further action was taken.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - January 21, 2014  
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Analysis by: Evan M. Isaacson

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