This bill requires the placement and use of at least one speed monitoring system (speed camera) between each exit ramp on Maryland Route 200 (Intercounty Connector (ICC)) in Montgomery County. The bill further requires the Maryland Transportation Authority (MDTA) and Montgomery County to enter into a memorandum of understanding (MOU) requiring the county to implement and administer the speed cameras placed and used on the ICC. The bill exempts the placement of such speed cameras from an existing requirement that prohibits the use of speed cameras unless authorized by the governing body of the local jurisdiction (i.e., by local law enacted after reasonable notice and a public hearing). The speed cameras must be placed by October 1, 2022. The bill takes effect July 1, 2022.

Fiscal Summary

State Effect: MDTA finances and operations are likely not materially affected, as discussed below. General fund revenues likely increase minimally beginning in FY 2023 due to additional contested cases in District Court.

Local Effect: Revenues and expenditures for Montgomery County increase, likely significantly, beginning in FY 2023, as discussed below. This bill imposes a mandate on a unit of local government.

Small Business Effect: Potential minimal.
Analysis

Current Law:

Maryland Transportation Authority

Since 1971, MDTA has been responsible for constructing, managing, operating, and improving the State’s toll facilities (e.g., the Chesapeake Bay Bridge, the Francis Scott Key Bridge, and the ICC) and for financing new revenue-producing transportation projects. MDTA is governed by nine individuals appointed by the Governor with the advice and consent of the Senate.

MDTA has the authority to set tolls on transportation facilities projects under its supervision. Tolls must provide funds that, when combined with bond proceeds and other available revenues, are sufficient to pay maintenance, repair, and operating costs for transportation facilities 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. Toll revenues are deposited into the Transportation Authority Fund, which is wholly separate from the Transportation Trust Fund.

Speed Monitoring Systems

Speed monitoring systems must be authorized in a local jurisdiction by the governing body of the jurisdiction (but only after reasonable notice and a public hearing). Before activating a speed monitoring system, a local jurisdiction must publish notice of the location of the speed monitoring system on its website and in a newspaper of general circulation in the jurisdiction. In addition, the jurisdiction must ensure that each sign that designates a school zone is proximate to a sign that (1) indicates that speed monitoring systems are in use in the school zone and (2) conforms with specified traffic control device standards adopted by the State Highway Administration. Additional restrictions apply in Prince George’s County.

An authorizing ordinance or resolution adopted by the governing body of a local jurisdiction must establish certain procedures related to the movement or placement of speed monitoring systems. Specifically, if a jurisdiction moves (or places) a mobile (or stationary) speed monitoring system to (or at) a new location, the jurisdiction may not issue a citation for a violation recorded by that speed monitoring system (1) until signage is installed, as specified, and (2) for at least the first 15 calendar days after the signage is installed.
From the fines (up to $40 per violation) generated by a speed monitoring system, the relevant jurisdiction may recover the costs of implementing the system and may, with limited exceptions, spend any remaining balance solely for public safety purposes, including for pedestrian safety programs.

**State Fiscal Effect:** Under the bill, the number of citations issued for speed camera violations is expected to increase beginning in fiscal 2023. As a result, the number of individuals opting for a trial in District Court is also likely to increase. Accordingly, general fund revenues increase minimally, as fine revenues paid by individuals convicted in District Court are paid into the general fund. The increase in District Court caseloads can likely be handled with existing resources.

MDTA advises that the bill may result in fewer drivers using the ICC (i.e., to avoid the speed cameras required by the bill and potential fines). To the extent that these behavioral changes occur as a result of the bill, nonbudgeted revenues for MDTA decrease accordingly. However, the Department of Legislative Services (DLS) advises that any such impact is speculative and not included in this estimate. Additionally, although MDTA is responsible for the ICC, because the bill explicitly requires Montgomery County to implement and administer the speed cameras, this analysis assumes that MDTA incurs no material costs in order to implement the bill (i.e., other than administrative time to develop the MOU, establish procedures for the county to install and maintain the cameras, etc.).

**Local Fiscal Effect:** Montgomery County is unable to provide an estimate of the costs associated with the placement of speed cameras as required by the bill, or any revenues that may be received. Nevertheless, DLS advises that, based on information from Baltimore City regarding the placement of speed cameras on Interstate 83, the cost per speed camera likely totals about $50,000 per camera. Thus, Montgomery County expenditures are also expected to increase by a similar amount per camera installed. Expenditures further increase for implementation (including processing violations) and maintenance costs and, after cost recovery, for public safety purposes (including pedestrian safety programs).

Revenues in Montgomery County likely increase significantly beginning in fiscal 2023. (Although the bill takes effect July 1, 2022, the speed cameras required by the bill are not required to be fully placed until October 1, 2022.)

As Montgomery County and MDTA are required to enter into an MOU regarding the placement of cameras, the total number of speed cameras that may be placed under the bill cannot be determined without additional information. However, for illustrative purposes only, the Comptroller’s Office advises that, in fiscal 2021, speed cameras in Montgomery County generated about $11.3 million in gross revenues, although only about $2.6 million was retained after cost recovery. Assuming speed cameras placed on the ICC
generate a similar amount of average revenues, local revenues for Montgomery County likely increase by $146,600 per camera on an annual basis. However, this amount is likely significantly reduced after cost recovery. The average net revenues per camera retained after cost recovery in fiscal 2021 totaled $33,860. Thus, while the total amount of revenues received by Montgomery County under the bill may be significant depending on the total number of cameras placed, that amount is likely significantly reduced after cost recovery. These amounts may be further reduced in fiscal 2023 if activation is delayed until October 1, 2022 (i.e., the required activation date specified in the bill).

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Montgomery County; Comptroller’s Office; Judiciary (Administrative Office of the Courts); Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - March 10, 2022

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