# **Department of Legislative Services**

Maryland General Assembly 2023 Session

## FISCAL AND POLICY NOTE First Reader

House Bill 512

(Delegate Rosenberg, et al.)

**Environment and Transportation** 

#### Baltimore City - Speed Monitoring Systems on Interstate 83 - Use of Revenue

This bill provides additional specificity on how the fines collected by Baltimore City as a result of violations enforced by speed monitoring systems (speed cameras) on Interstate 83 must be used. Specifically, 10% of net revenues remaining after cost recovery must be used to assist in covering the cost of improvements to the entrance and exit ramps along Interstate 83 in Baltimore City (and to the nearest intersection with a traffic signal to each ramp) and to enhance pedestrian safety at these intersections. Pursuant to current law, any other revenues remaining after cost recovery must be used solely to assist in covering the cost of roadway improvements on Interstate 83 in Baltimore City. Likewise, all fines remitted under these provisions are supplemental to (and are not intended to take the place of) funding that would otherwise be appropriated for the relevant uses.

#### **Fiscal Summary**

State Effect: The bill does not materially affect State finances or operations.

**Local Effect:** Baltimore City Department of Transportation expenditures may shift due to the bill's requirement that a fixed percentage of net speed camera revenues be used for specified purposes. Local revenues are not affected.

Small Business Effect: Potential minimal.

#### Analysis

**Current Law:** Chapter 628 of 2021 authorizes Baltimore City to place two speed monitoring systems (speed cameras) on Interstate 83, subject to signage and placement requirements for speed cameras already required by State law. Chapter 628 also requires a

real-time display of a driver's traveling speed. From the fines collected as a result of violations enforced by speed cameras on Interstate 83, any balance remaining after cost recovery must be remitted to the Comptroller for distribution to the Baltimore City Department of Transportation to then be used solely to assist in covering the cost of roadway improvements on Interstate 83 in Baltimore City.

Fines remitted pursuant to this authorization are supplemental to (and not intended to take the place of) funding that would otherwise be appropriated for the same purposes. During the first 90 days of operation, Chapter 628 required the city to mail a warning notice (rather than a citation) for any recorded violations. The authorization for the two speed cameras is scheduled to terminate June 30, 2026.

**Local Expenditures:** As noted above, under current law, any net revenues remaining after cost recovery for the two Interstate 83 speed cameras must be remitted to the Comptroller for distribution to the Baltimore City Department of Transportation. Those revenues may subsequently be used only for roadway improvements on Interstate 83 in Baltimore City.

The bill reduces the amount of net revenues available for general roadway improvements on Interstate 83 in Baltimore City (potentially by as much as 10%) and instead requires a fixed amount of net revenues to be dedicated to specified activities. To the extent that Baltimore City already uses some portion of net revenues for the purposes required under the bill, expenditures may not need to shift significantly. However, if current net revenues are *not* being used for the purposes specified in the bill, then the city may need to reduce funding for general roadway improvements by as much as 10% and redirect those funds to the activities required under the bill.

Baltimore City advises that, in fiscal 2023, it expects to receive about \$7.5 million in revenues from the two speed cameras on Interstate 83. However, this figure represents gross revenues; an exact estimate of the operational costs of the two speed cameras in fiscal 2023 is not yet available (and, therefore, the net revenues remaining in fiscal 2023 after cost recovery cannot be determined). However, Baltimore City estimates that a significant portion of gross revenues is likely offset by implementation costs. Thus, the net revenues remaining for other purposes may be significantly less than the projected gross revenues.

## **Additional Information**

**Prior Introductions:** Similar legislation has not been introduced within the last three years.

### Designated Cross File: None.

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**Information Source(s):** Baltimore City; Comptroller's Office; Maryland Department of Transportation; Department of Legislative Services

**Fiscal Note History:** First Reader - March 10, 2023 km/ljm

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