Department of Legislative Services

Maryland General Assembly 2025 Session

FISCAL AND POLICY NOTE First Reader

Senate Bill 402

(Senator McCray)(By Request - Baltimore City Administration)

Judicial Proceedings

Baltimore City - Speed Monitoring Systems - Maximum Penalty Increase

This bill increases the maximum civil penalty for a speed violation recorded by a speed monitoring system located in Baltimore City from \$40 to \$60.

Fiscal Summary

State Effect: General fund revenues increase, *potentially* by tens of thousands of dollars annually, due to the higher civil penalty and additional contested cases in District Court beginning in FY 2026. General fund expenditures for the Judiciary increase by \$7,100 in FY 2026 for one-time programming costs; any increase in caseloads for the Judiciary can be handled using existing budgeted resources.

Local Effect: Baltimore City revenues increase significantly beginning in FY 2026 due to the higher civil penalty established by the bill; expenditures increase correspondingly.

Small Business Effect: Potential minimal.

Analysis

Current Law: In general, State law authorizes the use of various automated monitoring systems, including speed monitoring systems. In addition to other requirements, 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.

Unless the driver of the motor vehicle received a citation from a police officer at the time of the violation, the owner or the driver of a motor vehicle is subject to a civil penalty if the motor vehicle is recorded by a speed monitoring system while exceeding the posted speed limit. The authorized agency (*e.g.*, a local law enforcement agency) must mail a citation to the owner that includes specified information, including a copy of the recorded image, the location where the violation occurred, and the amount of the civil penalty imposed and the date by which the civil penalty should be paid. A person who receives a citation may:

- pay the civil penalty, in accordance with the instructions on the citation, directly to the political subdivision; or
- elect to stand trial in the District Court for the alleged violation.

The civil penalty may not exceed \$40, and the District Court must prescribe:

- a uniform citation form that includes specified information and allows the person receiving the citation to pay the citation or contest the citation by standing trial, as specified; and
- a civil penalty, which must be indicated on the citation, to be paid by persons who choose to prepay the civil penalty without appearing in District Court.

With specified exceptions, penalty revenues from automated enforcement systems, including speed monitoring systems, must be paid (1) to the relevant political subdivision, in an uncontested case and (2) directly to the District Court (and consequently the general fund) in a case that is contested in District Court.

Generally, 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.

State Revenues: According to the Maryland Police Training and Standards Commission's (MPTSC) <u>annual report</u> on speed monitoring systems in use in the State, in fiscal 2023 there were 169 speed cameras in operation in Baltimore City and those cameras issued 862,359 citations.

Increasing the penalty by \$20 is anticipated to increase general fund revenues beginning in fiscal 2026. This accounts for cases that continue to be contested and subject to a higher penalty (if individuals are found guilty after a trial) and the expectation that the increased penalty also leads to additional contested cases. As noted above, penalties from contested cases are paid directly to the District Court and accrue to the general fund.

The Judiciary advises that, for fiscal 2024, there were 6,066 requests for a trial related to citations issued by a speed monitoring system. Although this total represents statewide data, the increased civil penalty may result in more contested cases for citations issued in Baltimore City. *For illustrative purposes only*, for every 500 citations that are contested in District Court and for which the \$60 maximum penalty established by the bill (instead of the \$40 maximum penalty under current law) is ultimately imposed and paid, general fund revenues increase by \$10,000. *For illustrative purposes only*, if the higher penalty established by the bill results in 500 additional individuals electing to contest the case in District Court (and the maximum penalty is ultimately imposed and collected), general fund revenues increase by \$30,000.

Additional factors may also affect overall citation volume (such as changes in driving behavior as drivers become aware of the new penalty for speeding under the bill).

State Expenditures: General fund expenditures for the District Court increase for programming changes necessary to modify its penalty fee schedule on citation forms. Programming-related costs total an estimated \$7,096 in fiscal 2026.

As noted above, the increased penalty established is expected to result in additional cases before the District Court as individuals receiving citations attempt to contest the case to avoid paying the higher penalty. It is anticipated, however, that the Judiciary can handle any increased case volume using existing budgeted resources.

Local Fiscal Effect: According to MPTSC's annual report on speed monitoring systems, the 862,359 citations issued in Baltimore City in fiscal 2023 increased the city's revenues by \$14.9 million, and the city's administrative costs for the program totaled \$7.2 million in that same year. Since the bill reflects up to a 50% increase in the associated penalty, Baltimore City revenues from speed cameras are anticipated to increase by millions of dollars annually beginning in fiscal 2026; a preliminary evaluation by Baltimore City estimates that revenues could increase by at least \$8.3 million annually.

Baltimore City expenditures increase correspondingly as the additional revenue is spent for public safety purposes, pursuant to the requirements of current law.

Additional Information

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

Designated Cross File: None.

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Information Source(s): Judiciary (Administrative Office of the Courts); Maryland Department of Transportation; Comptroller's Office; Maryland Police Training and Standards Commission; Baltimore City; Department of Legislative Services

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