

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

Senate Bill 730
Finance

(Senator Jacobs, *et al.*)

Maryland Transportation Authority - Transportation Facilities Projects - Cash
Toll Lanes

This bill requires the Maryland Transportation Authority (MDTA) to maintain at least one lane where motorists may pay tolls in cash at each transportation facilities project, except for the Intercounty Connector (ICC), Interstate 95 express toll lanes, and parking facilities. It also requires MDTA to maintain as many cash toll lanes as are necessary to ensure that motorists paying in cash are not unduly delayed.

The bill takes effect June 1, 2014.

Fiscal Summary

State Effect: No direct fiscal effect on MDTA, except for the loss of costs already incurred for design plans to convert two bridge crossings to all electronic tolling (AET). Any future efforts to enhance automated toll collection likely result in increased costs for planning, construction, and operation. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Transportation facilities projects include:

- the Susquehanna River Bridge;
- the Harry W. Nice Memorial Potomac River Bridge;

- the William Preston Lane, Jr. Memorial Chesapeake Bay Bridge;
- the Baltimore Harbor Tunnel;
- the Fort McHenry Tunnel;
- the Francis Scott Key Bridge; and
- the John F. Kennedy Memorial Highway.

It also includes any vehicle parking facility located in a priority funding area, although parking facilities are exempt from this bill.

Background: With the exception of the ICC and planned express toll lanes on Interstate 95 north of Baltimore City, all toll plazas operated by MDTA have electronic tolling administered by EZ-Pass with at least one cash toll lane. However, the Consolidated Transportation Program (CTP) includes plans to transition the Hatem Bridge over the Susquehanna River and the Key Bridge over the Patapsco River to AET by fiscal 2016. Electronic toll collections for both bridges already exceed 80% of all tolls collected, with the Hatem Bridge exceeding 90%. Plans for the Hatem Bridge conversion have been finalized, but construction has not been started. The CTP includes \$2.0 million for construction in fiscal 2015, although MDTA indicates that schedule was already under reconsideration due to public resistance. Plans for the Key Bridge conversion are 60% finalized; no construction funds are yet budgeted in the CTP.

AET is a growing trend in tolling on major toll roads, bridges, and tunnels. According to the National Conference of State Legislatures, 11 states are already using AET for some transportation facilities and toll roads. Regionally, New York, North Carolina, and Pennsylvania use AET for some facilities, and five states nationally are converting additional facilities to AET. Pennsylvania has announced plans to convert the entire Pennsylvania Turnpike to AET by 2018 at the earliest, but already has three interchanges that are cashless. North Carolina uses AET on the Triangle Expressway, and New Jersey is planning to convert the entire New Jersey Turnpike to AET. In Maryland, AET is already in use along the ICC and planned for the I-95 express toll lanes. Drivers who do not have electronic transponders used in AET are typically billed for their use based on photographs taken of their license plates as they pass through tolling sensors.

State Fiscal Effect: MDTA can comply with the bill's requirements without incurring any additional expenses because all affected tolling facilities currently have at least one cash toll lane. Any delay in the expenditure of fiscal 2015 construction funds for the Hatem Bridge can be attributed to other factors besides this bill. Failure to implement current plans to convert the Hatem and Key bridges to AET would result in the loss of costs already incurred for planning.

However, to the extent that MDTA decides to pursue greater automation of toll crossings for those two bridges, it would have to develop new plans for open road tolling (ORT) with cash lanes, resulting in additional costs for planning, construction, and operation. ORT with cash lanes is a more costly design option than AET due to the need for toll collectors and other structural considerations.

Additional Information

Prior Introductions: None.

Cross File: HB 389 (Delegate Rudolph, *et al.*) - Ways and Means.

Information Source(s): Maryland Department of Transportation, National Conference of State Legislatures, Pennsylvania Turnpike Authority, Florida Turnpike Enterprise, Department of Legislative Services

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