

Department of Legislative Services  
Maryland General Assembly  
2025 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 780

(Delegate Kerr, *et al.*)

Environment and Transportation

Judicial Proceedings

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Urban State Highways - Speed Limits - Exemptions

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This bill authorizes the State Highway Administration (SHA) to decrease the maximum speed limit on certain urban highways that are under its jurisdiction without an engineering and traffic investigation if SHA is only decreasing the maximum speed limit by five miles per hour (MPH). Specifically, SHA may reduce the speed limit in this manner for highways in a business district and undivided and divided highways in a residential district. When using this authority to lower speed limits, SHA must publish notice of the speed limit change in a specified manner and may not allow speed cameras to be used to enforce speed limits in the area for six months after the speed limit decrease.

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Fiscal Summary

**State Effect:** To the extent that SHA uses the authority granted by the bill, Transportation Trust Fund (TTF) expenditures decrease minimally and general fund revenues may increase minimally, as discussed below.

**Local Effect:** The bill does not directly affect local government operations or finances.

**Small Business Effect:** Potential minimal.

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Analysis

**Bill Summary:** When lowering a speed limit without first completing an engineering and traffic investigation under the authority granted by the bill, SHA must publish notice of the proposed reduction on its website and in a newspaper of general circulation in the jurisdiction in which the reduction applies at least 30 days before the speed limit is reduced.

Additionally, SHA may not use or allow the use of a speed monitoring system to enforce speed limits on any portion of an urban highway under its jurisdiction for which the speed limit has been decreased without performing an engineering and traffic investigation for six months after the speed limit decrease.

**Current Law:** “Urban highway” means a highway, other than an expressway, that is part of the State highway system and (1) constructed with a curb and gutter and an enclosed type storm drainage system; (2) located in an urban area and on which is located a public facility that creates appreciable pedestrian traffic along the highway from adjacent areas; (3) located within urban boundaries as defined by the U.S. Census Bureau; or (4) located within the boundaries of a municipal corporation.

Unless there is a special danger that requires a lower speed, the maximum lawful speeds on a State highway are (1) 15 MPH in alleys in Baltimore County; (2) 30 MPH on all highways in a business district and on undivided highways in a residential district; (3) 35 MPH on divided highways in a residential district; (4) 50 MPH on undivided highways in other locations; and (5) 55 MPH on divided highways in other locations. A maximum speed limit of more than 55 MPH may not be established on any highway in the State that is not an interstate highway or an expressway, and a maximum speed limit of more than 70 MPH may not be established on any highway in the State.

If, on the basis of an engineering and traffic investigation, SHA determines that a maximum speed is greater or less than is reasonable or safe under existing conditions on any part of a highway in its jurisdiction, SHA may establish a reasonable and safe maximum speed limit for that part of the highway. However, an engineering and traffic investigation is not required to conform a speed limit in effect on December 31, 1974, to one of the specified speed limits established by statute.

**State Fiscal Effect:** To the extent that SHA uses the authority granted by the bill to lower certain speed limits on State highways without first completing a traffic engineering study:

- general fund revenues may increase minimally due to more citations for speeding; however, the District Court can handle any additional caseload with existing resources; and
- TTF expenditures (1) decrease minimally from fewer traffic engineering studies being conducted and (2) increase minimally for SHA to publish the required notice in a newspaper of general circulation (the net effect is anticipated to be an overall decrease in TTF expenditures).

SHA can post the required notice on its website and comply with the bill’s six-month ban on speed cameras in affected areas using existing budgeted resources.

## Additional Information

**Recent Prior Introductions:** Similar legislation has been introduced within the last three years. See SB 464 and HB 278 of 2024.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Transportation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 12, 2025  
km/aad Third Reader - March 31, 2025  
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