

**Department of Legislative Services**  
 Maryland General Assembly  
 2016 Session

**FISCAL AND POLICY NOTE**  
**Enrolled - Revised**

Senate Bill 80 (Chair, Judicial Proceedings Committee)(By Request -  
 Departmental - Transportation)

Judicial Proceedings Environment and Transportation

**Commercial Drivers' Licenses - Cancellations and Downgrades (Driving  
 Privilege Preservation Act of 2016)**

This departmental bill clarifies that federal regulations require the Motor Vehicle Administration (MVA) to cancel a commercial driver’s license (CDL) when the CDL holder fails to submit a current certificate of physical examination to MVA. The bill also authorizes MVA to automatically downgrade a CDL to a noncommercial driver’s license when the commercial driving privilege is canceled solely as a result of the CDL holder’s failure to submit to MVA a current certificate of physical examination. MVA may not issue a noncommercial license unless the CDL holder first surrenders the commercial license.

**Fiscal Summary**

**State Effect:** Transportation Trust Fund (TTF) expenditures increase by \$35,000 in FY 2017 only for MVA to contract with an outside vendor for computer reprogramming. TTF revenues and expenditures are not otherwise materially affected, as discussed below.

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	35,000	0	0	0	0
Net Effect	(\$35,000)	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** The Maryland Department of Transportation has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

## Analysis

**Current Law:** MVA is required by federal law to cancel a CDL when the CDL holder fails to submit current medical certification. CDL cancellations due to failure to submit medical certification also result in cancellation of noncommercial driving privileges. If the cancellation remains in effect for more than one year, the holder is required to take *all* driving certification tests again, including the noncommercial knowledge and skill tests as well as the commercial knowledge and skill tests, in order to regain commercial driving privileges.

In general, the Maryland Vehicle Law prohibits the issuance of a CDL until the individual has passed the knowledge and skill tests for driving a commercial motor vehicle that comply with the federal Commercial Motor Vehicle Safety Act of 1986.

**Background:** Over the past two fiscal years, MVA canceled 28,127 CDLs for failure to submit current medical certification; of those, 10,851 were canceled for more than one year, which initiates retesting requirements. MVA has received complaints from CDL holders who were unaware their commercial and noncommercial driving privileges had been canceled for more than one year. The affected license holders then encounter delays in regaining CDL privileges because they are first required to regain a noncommercial driver's license, which can leave them unable to work in the meantime. MVA advises this bill would shorten the total time spent out of work by former CDL holders who, as a result of exceeding the one-year limit for medical recertification, are required to regain CDL privileges through the multi-step process.

**State Fiscal Effect:** MVA advises that, if a CDL holder's license is canceled and the holder reinstates the license within one year, the total reinstatement fee is \$65 (\$45 for the noncommercial license and \$20 for the commercial license). MVA indicates that it intends to implement the bill in such a way that it is revenue-neutral by charging the same fees as it currently does. Thus, TTF revenues are not likely affected.

MVA also advises an outside vendor is required to perform the necessary changes to implement the bill's requirements. The programming changes include adjusting the existing medical certification cancellation process, adding additional CDL downgrade checks, changing certain correspondence to reflect "downgrade" instead of "cancellation," developing other necessary procedures, and testing. The vendor estimates the cost of these one-time programming changes at \$35,000. Additional internal computer programming changes can be handled with existing resources.

## Additional Information

**Prior Introductions:** None.

**Cross File:** None designated; however, HB 1461 (Delegate Folden, *et al.* – Environment and Transportation) is identical.

**Information Source(s):** Maryland Department of Transportation, U.S. Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - January 18, 2016  
min/ljm Revised - Updated Information - March 3, 2016  
Revised - Other - May 11, 2016

---

Analysis by: Eric Pierce

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510

## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

**TITLE OF BILL:**    **Driving Privilege Preservation Act of 2016 – Commercial Driver’s Licenses – Cancellations – Automatic Downgrade**

**BILL NUMBER:**    **SB 80**

**PREPARED BY:**    Maryland Department of Transportation / Motor Vehicle Administration  
**(Dept./Agency)**

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

### PART B. ECONOMIC IMPACT ANALYSIS