

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 977 (Delegate Owings, et al.)
Commerce and Government Matters

Motorcycles - Protective Headgear Requirements - Exemption

This bill exempts persons 18 years or older who have successfully completed the Motorcycle Safety Program from the requirement that all motorcyclists wear protective headgear.

Fiscal Summary

State Effect: Indeterminate increase in general fund expenditures. Special fund revenues and expenditures could increase as discussed below.

Local Effect: None.

Fiscal Analysis

State Effect: General fund expenditures could increase for injured motorcyclists who are Medicaid recipients. The number of medical assistance recipients that would be injured cannot be reliably estimated. The following information is presented for informational purposes only.

The average medical cost for medical assistance recipients treated for motorcycle-related head injuries is \$27,700 per patient. The Department of Health and Mental Hygiene advises that there were approximately 100 more motorcycle injury related hospitalizations per year prior the enactment of the “all-rider” helmet laws. Under current law, 50% of any additional Medicaid expenditures are reimbursable by federal funds. However, Congress is considering legislation that may cap the amount of funds that states receive under Medicaid. As a result, it’s possible that any additional Medicaid expenditures will be funded entirely with general funds. It is not possible at this time to reliably estimate the magnitude of any increase in Medicaid program expenditures resulting from the bill’s requirements.

State expenditures could also increase as a result of motorcyclists who sustain brain injuries

and become clients of the Developmental Disabilities Administration. Such expenditures cannot be reliably estimated at this time.

The Motorcycle Safety Training Program is administered by the Department of Transportation. The costs of the program are recovered by fees imposed on the participants. Thus, special fund revenues and expenditures would increase in like amounts. Any such increases are assumed to be minimal.

Information Source(s): Department of Health and Mental Hygiene, Department of Transportation, Department of Fiscal Services

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