Department of Fiscal Services

Maryland General Assembly

FISCAL NOTE

House Bill 160 (Chairman, Ways and Means Committee) (Departmental - Comptroller)

Ways and Means

Motor Fuel and Lubricants - Petroleum Transporters

This departmental bill eliminates the requirement that a petroleum transporter must register with the Comptroller of the Treasury each conveyance used to transport motor fuel to or from a place in the State. It increases from 50 gallons to 1,750 gallons the minimum threshold for registering as a petroleum transporter and provides that the Comptroller shall establish regulations governing monthly filing requirements for petroleum transporters.

This bill is effective July 1, 1997.

Fiscal Summary

State Effect: Special fund expenditures would decrease by \$11,600 in FY 1998. Positive impact on general and special fund revenues in FY 1998 as discussed below. Future year expenditure reductions reflect growth for inflation.

(in dollars)	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
GF Revenues	\$0	\$0	\$0	\$0	\$0
SF Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditures	(\$11,600)	(\$11,800)	(\$12,100)	(\$12,400)	(\$12,600)
Net Effect	\$11,600	\$11,800	\$12,100	\$12,400	\$12,600

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Small Business Effect: The Comptroller of the Treasury has determined that this bill has minimal or no economic impact on small businesses (attached). Fiscal Services concurs with this assessment.

Fiscal Analysis

State Effect: Under this bill, the Comptroller would no longer be required to purchase identification markers for placement on petroleum transport conveyances. This would reduce expenditures by \$11,600 in fiscal 1998. Future year expenditure reductions reflect a 2% inflation factor. While the bill could also reduce the time spent by staff of the Comptroller on administering petroleum transporter regulations, salary expenditures would not actually decrease.

This bill does not directly affect State revenues. However, since expenditures for the Motor Fuel Tax Unit are deducted from special fund revenues prior to distribution, the decrease in expenditures created by this bill would be redirected for a positive revenue impact. Funds generated from motor fuel taxes and fees are distributed in the following manner:

- ° 0.3% to the Waterway Improvement Fund;
- ° 0.3% to the Fisheries Research and Development Fund;
- ° 2.3% to the general fund for Chesapeake Bay related programs; and
- o the remainder to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund.

General funds would increase by \$300 and would help fund Chesapeake Bay related programs. Special funds would increase by \$11,300 in fiscal 1998. Of these funds, approximately \$35 would go to the Waterway Improvement Fund, \$35 would go to the Fisheries Research and Development Fund, and the remainder would go to the Gasoline and Motor Vehicle Revenue Account.

Information Source(s): Comptroller of the Treasury (Motor Fuel Tax Unit), Department of Fiscal Services

Fiscal Note History: First Reader - January 21, 1997

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