

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 182 (Chairman, Commerce and Government Matters Committee)
(Departmental - Transportation)
Commerce and Government Matters

Vehicle Laws - Motor Carrier Safety - Conformance with Federal Regulations

This departmental bill seeks to conform Maryland law to applicable Federal Motor Carrier Safety Regulations by authorizing the State Highway Administration to require safety inspections on all Class E (truck) vehicles and all Class G (trailer and semitrailer) vehicles that exceed 10,000 pounds rated gross weight. Under current law, such vehicles that are rated for 10,000 pounds or more, but registered below 10,000 pounds, are not subject to safety inspections.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues. Expenditures would not be affected. Potential significant impact on federal fund revenues.

Local Effect: None. It is assumed that enforcement by local law enforcement agencies could be handled with existing resources.

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

Fiscal Analysis

State Effect: The Department of Transportation advises that the bill brings Maryland law into conformity with federal standards. The Federal Highway Administration (FHWA) has informed Maryland that if the State fails to bring its laws on motor carrier safety into conformity with the federal definition of commercial vehicles, the State will be sanctioned. The State could lose up to 50% of federal funds received for the Motor Carrier Safety

Assistance Program. This could result in a loss of up to \$500,000.

Under the bill's provisions, more commercial vehicles would be subject to safety inspections. This may result in an increase in general fund revenues due to penalties from safety violations. The increase is assumed to be minimal. Transportation Trust Fund expenditures would not be affected as additional safety inspections could be handled with existing resources.

Small Business Effect: Small businesses that own and operate commercial vehicles that are rated 10,000 pounds or more, but registered below 10,000 pounds, could realize increased expenditures to bring certain vehicles into compliance with SHA safety standards and maintenance requirements. Any such increase is assumed to be minimal. Additionally, the bill provides that non-freight G class trailers and semitrailers are also subject to the safety inspections, thus small business expenditures could increase to comply with safety standards.

Information Source(s): Department of Transportation, Department of State Police, Department of Fiscal Services

Fiscal Note History: First Reader - January 22, 1997

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