

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**

Senate Bill 152 (Senator Dorman)  
Judicial Proceedings

---

**Highways - HOV Lanes - Clean Fuel Motor Vehicles**

---

This bill allows drivers of “clean fuel motor vehicles” to drive in high occupancy vehicle (HOV) lanes without adhering to the occupancy requirement. However, the bill also provides that the State Highway Administration (SHA) may prohibit trucks and other classes of clean fuel motor vehicles from driving in the high occupancy vehicle lane without the required number of occupants.

---

**Fiscal Summary**

**State Effect:** Potential significant impact on State finances as discussed below.

**Local Effect:** None.

**Small Business Effect:** Minimal. To the extent that small businesses use clean fuel motor vehicles, a small time savings could be realized. Furthermore, small businesses that sell or maintain such vehicles may benefit to the extent that the bill increases demand. However, Fiscal Services notes that there is a minimal number of clean motor fuel vehicles and currently only one high occupancy vehicle lane in Maryland.

---

**Fiscal Analysis**

**State Effect:** The State Highway Administration advises that the bill is in direct conflict with federal regulations because the State does not have the authority to alter the occupancy requirements for HOV lanes. SHA believes that implementation could result in a potentially significant monetary penalty from the federal government.

The bill would also result in a small increase in expenditures in the Transportation Trust Fund. Additional signs would be required along I-270 to notify motorists of the new HOV regulations. The signs would cost between \$5,000 and \$15,000.

In addition, funds may be required to enable law enforcement agencies to enforce the provisions in the bill. Many clean fuel motor vehicles display a sticker on the back of the vehicle identifying it as an alternative fuel vehicle. However, there is no State requirement for such identification on all clean fuel motor vehicles. This may require the Motor Vehicle Administration to issue special stickers or license plates that will identify vehicles as operating on the clean fuels that are established in the bill. MVA advises that this cost should be offset by fees charged for the stickers or license plates. It is estimated that Maryland will have over 4,400 clean fuel motor vehicles in 1998.

---

**Information Source(s):** Department of Transportation (State Highway Administration, Motor Vehicle Administration), Department of State Police, Maryland Energy Administration, Department of Fiscal Services

**Fiscal Note History:** First Reader - January 27, 1997

ncs

---

Analysis by: Jody J. Minnich

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710