

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE  
Revised

Senate Bill 523 (Senator Collins)

Judicial Proceedings

Ref. to Commerce & Government Matters

**Classified Vehicles - Limousines**

This amended bill requires that "limousines" operated for hire be registered under a new special type of vehicle classification. The annual registration fee would increase from \$81 to \$100.

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**Fiscal Summary**

**State Effect:** Transportation Trust Fund expenditures could increase by \$12,200 in FY 1998. Indeterminate increase in Transportation Trust Fund revenues. Potential indeterminate increase in computer programming costs as discussed below.

**Local Effect:** None.

**Small Business Effect:** Minimal effect on small businesses as discussed below.

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**Fiscal Analysis**

**State Revenues:** A total of 4,600 vehicles for hire (i.e., taxis, limousines, etc.) were registered with the MVA in fiscal 1996. The number of these vehicles that would qualify as limousines is unknown. For illustrative purposes, if 30%, or 1,380, of the vehicles for hire registered with the MVA are limousines, Transportation Trust Fund revenues could increase by \$26,220 annually.

**State Expenditures:** A minimum of 4,000 registration plates are required to establish a new vehicle classification. The cost is \$3.05 per set. Thus, Transportation Trust Fund expenditures would increase by \$12,200.

The MVA advises that computer programming expenditures could increase by an estimated

\$91,600 to modify the computer programs as proposed in this legislation. The Department of Fiscal Services (DFS) advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the MVA system. Further, DFS advises that the increased computer expenditure is simply an estimate and the MVA may be able to handle the changes with either less money than it estimates or existing resources.

**Small Business Effect:** The majority of businesses that operate limousines for hire are small businesses. This bill would increase the annual registration fee by \$19 for each limousine for hire.

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**Information Source(s):** Department of Transportation (Motor Vehicle Administration), Department of Fiscal Services

**Fiscal Note History:** First Reader - February 17, 1997  
brd Revised - Senate Third Reader - March 25, 1997

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