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By: **Delegates Hubbard, Billings, and Oaks**  
Introduced and read first time: February 10, 2000  
Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Vehicle Laws - Fuel Efficiency Surcharge and Credit Program - Consumer**  
3                                   **Information**

4 FOR the purpose of repealing a certain provision of law requiring a vehicle dealer to  
5 display on a vehicle offered for sale certain information concerning a certain fuel  
6 efficiency surcharge and credit program; requiring the Motor Vehicle  
7 Administration, in consultation with certain parties, to develop and implement  
8 a consumer information program designed to make certain information  
9 concerning the fuel efficiency surcharge and credit program available to  
10 consumers considering the purchase of certain vehicles; authorizing the  
11 Administration to adopt certain regulations; making stylistic changes; clarifying  
12 language; and generally relating to consumer information concerning the fuel  
13 efficiency surcharge and credit program.

14 BY repealing and reenacting, with amendments,  
15 Article - Transportation  
16 Section 13-818  
17 Annotated Code of Maryland  
18 (1999 Replacement Volume and 1999 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, That the Laws of Maryland read as follows:

21                                   **Article - Transportation**

22 13-818.

23       (a)     (1)     In this section the following words have the meanings indicated.

24                   (2)     "Model type" and "model year" have the meaning stated in § 4064 of  
25 the Internal Revenue Code.

26                   (3)     "Fuel economy" has the meaning stated in § 4064 of the Internal  
27 Revenue Code as determined and adjusted by the U.S. Environmental Protection

1 Agency to account for the difference between controlled laboratory conditions and  
2 actual road driving.

3 (4) "Passenger car" means a motor vehicle that may be registered as a  
4 Class A (passenger) vehicle or registered under § 13-937 of this [article] TITLE as a  
5 Class M (multipurpose) vehicle.

6 (b) In conjunction with the tax imposed under § 13-809 of this [article]  
7 SUBTITLE, a fuel efficiency surcharge or fuel efficiency credit shall be imposed under  
8 this section based on the fuel economy rating of the model type of the passenger car.

9 (c) (1) (i) Subject to paragraph (2) of this subsection, for new or used  
10 passenger cars with a model year of 1993 or 1994, a fuel efficiency surcharge of \$100  
11 shall be imposed on all such passenger cars that have a fuel economy rating that is  
12 less than 21 miles per gallon.

13 (ii) 1. This subparagraph does not apply to a passenger car  
14 registered under § 13-616 of [the Transportation Article] THIS TITLE.

15 2. Subject to paragraph (2) of this subsection, for new or used  
16 passenger cars with a model year of 1995 or thereafter, a fuel efficiency surcharge  
17 shall be imposed on all such passenger cars that have a fuel economy rating that is  
18 less than 27 miles per gallon. The fuel efficiency surcharge shall be an amount equal  
19 to the product of multiplying:

20 A. \$50; and

21 B. The nearest whole number of miles per gallon that the fuel  
22 economy rating of the model type of the automobile is less than 27 miles per gallon.

23 (2) The surcharge imposed under paragraph (1) of this subsection may  
24 not exceed an amount equal to 1% of the total purchase price of the passenger car as  
25 defined in § 13-809 of this [article] SUBTITLE.

26 (3) (i) Subject to paragraph (4) of this subsection, for new or used  
27 passenger cars with a model year of 1993 or 1994, a fuel efficiency credit of \$50 shall  
28 be granted for all passenger cars that have a fuel economy rating that is greater than  
29 35 miles per gallon.

30 (ii) Subject to paragraph (4) of this subsection, for new or used  
31 passenger cars with a model year of 1995 and thereafter, a fuel efficiency credit shall  
32 be granted for all passenger cars that have a fuel economy rating that is greater than  
33 35 miles per gallon. The fuel efficiency credit shall be an amount equal to the product  
34 of multiplying:

35 1. \$50; and

36 2. The nearest whole number of miles per gallon that the fuel  
37 economy rating of the model type of the automobile is greater than 35 miles per  
38 gallon.

1 (4) The credit granted under paragraph (3) of this subsection may not  
2 exceed an amount equal to 1% of the total purchase price of the passenger car as  
3 defined in § 13-809 of this [article] SUBTITLE.

4 (d) The proceeds collected under this section shall be deposited in the  
5 Transportation Trust Fund and, to the extent not required by any lawful pledge,  
6 covenant, dedication, or commitment for the annual debt service on bonds referred to  
7 in § 3-216(e) of this article, shall be disbursed in accordance with this section.

8 (e) The proceeds collected from the fuel efficiency surcharge imposed under  
9 this section shall be used to fund the fuel efficiency credits granted under this section.  
10 All remaining funds shall be used solely for transit purposes.

11 [(f) A motor vehicle dealer shall prominently display on a vehicle offered for  
12 sale a notice on a form prescribed by the Administration to inform consumers of the  
13 fuel efficiency surcharge and fuel efficiency credit program. The notice shall state the  
14 provisions of this section applicable to the vehicle and shall be in substantially the  
15 following form:

16 "For this vehicle, the fuel economy rating is \_\_\_\_\_. The fuel efficiency  
17 surcharge is \_\_\_\_\_ or the fuel efficiency credit is \_\_\_\_\_.

18 A fuel efficiency surcharge or fuel efficiency credit is required to be applied  
19 to purchases of certain passenger cars based on the fuel economy rating of  
20 the motor vehicle. The fuel economy rating is determined by a weighted  
21 average of the urban and the highway mileage ratings as determined by  
22 the Environmental Protection Agency and published in the Environmental  
23 Protection Agency's Gas Mileage Guide.

24 A fuel efficiency surcharge shall be applied to all passenger cars with a fuel  
25 economy rating of less than \_\_\_\_\_ miles per gallon. The surcharge  
26 is \_\_\_\_\_ (as provided in § 13-818 of the Transportation Article). A fuel  
27 efficiency credit shall be applied to all passenger cars with a fuel economy  
28 rating of more than \_\_\_\_\_ miles per gallon. The credit is \_\_\_\_\_  
29 (as provided in § 13-818 of the Transportation Article). The credit or  
30 surcharge on any vehicle may not be greater than an amount equal to 1%  
31 of the total purchase price of the vehicle."]

32 (F) THE ADMINISTRATION, IN CONSULTATION WITH THE STATE  
33 COMPTROLLER AND REPRESENTATIVE VEHICLE DEALERS, SHALL DEVELOP AND  
34 IMPLEMENT A CONSUMER INFORMATION PROGRAM FOR THE PURPOSE OF MAKING  
35 READILY AVAILABLE TO CONSUMERS CONSIDERING THE PURCHASE OF A VEHICLE  
36 THAT IS SUBJECT TO THIS SECTION INFORMATION CONCERNING THE APPLICATION  
37 OF THIS SECTION TO THE VEHICLE, INCLUDING NOTICE, AS APPROPRIATE, THAT:

38 (1) A FUEL EFFICIENCY SURCHARGE IS IMPOSED ON THE VEHICLE  
39 BECAUSE ITS EXCESSIVE ENERGY USE IS DETRIMENTAL TO ENVIRONMENTAL  
40 QUALITY; OR

1           (2)     A FUEL EFFICIENCY CREDIT IS AVAILABLE FOR THE VEHICLE  
2 BECAUSE ITS EFFICIENT ENERGY USE CONTRIBUTES TO ENVIRONMENTAL QUALITY.

3     (g)     The Administration may adopt regulations to implement and operate the  
4 fuel efficiency surcharge and credit program AND THE CONSUMER INFORMATION  
5 PROGRAM under this section.

6     (h)     Revenue generated under this section is not subject to the distribution  
7 provisions of Title 8, Subtitle 4 of this article.

8     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2000.