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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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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 14, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

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

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 certain provisions providing for a fuel efficiency surcharge or credit on  
13 new or used passenger cars under certain conditions; repealing certain  
14 requirements that motor vehicle dealers display certain information in a certain  
15 manner; repealing the authority of the Motor Vehicle Administration to adopt  
16 certain regulations; repealing a certain provision that provides for the  
17 distribution of certain revenue; and generally relating to ~~consumer information~~  
18 concerning the repeal of the fuel efficiency surcharge and credit program.

19 BY repealing and reenacting, with amendments,  
20 Article - Transportation  
21 Section 13-818  
22 Annotated Code of Maryland  
23 (1999 Replacement Volume and 1999 Supplement)

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

1 **Article - Transportation**2 ~~13-818.~~3 (a) (1) ~~In this section the following words have the meanings indicated.~~4 (2) ~~"Model type" and "model year" have the meaning stated in § 4064 of~~  
5 ~~the Internal Revenue Code.~~6 (3) ~~"Fuel economy" has the meaning stated in § 4064 of the Internal~~  
7 ~~Revenue Code as determined and adjusted by the U.S. Environmental Protection~~  
8 ~~Agency to account for the difference between controlled laboratory conditions and~~  
9 ~~actual road driving.~~10 (4) ~~"Passenger car" means a motor vehicle that may be registered as a~~  
11 ~~Class A (passenger) vehicle or registered under § 13-937 of this [article] TITLE as a~~  
12 ~~Class M (multipurpose) vehicle.~~13 (b) ~~In conjunction with the tax imposed under § 13-809 of this [article]~~  
14 ~~SUBTITLE, a fuel efficiency surcharge or fuel efficiency credit shall be imposed under~~  
15 ~~this section based on the fuel economy rating of the model type of the passenger car.~~16 (c) (1) (i) ~~Subject to paragraph (2) of this subsection, for new or used~~  
17 ~~passenger cars with a model year of 1993 or 1994, a fuel efficiency surcharge of \$100~~  
18 ~~shall be imposed on all such passenger cars that have a fuel economy rating that is~~  
19 ~~less than 21 miles per gallon.~~20 (ii) 1. ~~This subparagraph does not apply to a passenger car~~  
21 ~~registered under § 13-616 of [the Transportation Article] THIS TITLE.~~22 2. ~~Subject to paragraph (2) of this subsection, for new or used~~  
23 ~~passenger cars with a model year of 1995 or thereafter, a fuel efficiency surcharge~~  
24 ~~shall be imposed on all such passenger cars that have a fuel economy rating that is~~  
25 ~~less than 27 miles per gallon. The fuel efficiency surcharge shall be an amount equal~~  
26 ~~to the product of multiplying:~~27 A. ~~\$50; and~~28 B. ~~The nearest whole number of miles per gallon that the fuel~~  
29 ~~economy rating of the model type of the automobile is less than 27 miles per gallon.~~30 (2) ~~The surcharge imposed under paragraph (1) of this subsection may~~  
31 ~~not exceed an amount equal to 1% of the total purchase price of the passenger car as~~  
32 ~~defined in § 13-809 of this [article] SUBTITLE.~~33 (3) (i) ~~Subject to paragraph (4) of this subsection, for new or used~~  
34 ~~passenger cars with a model year of 1993 or 1994, a fuel efficiency credit of \$50 shall~~  
35 ~~be granted for all passenger cars that have a fuel economy rating that is greater than~~  
36 ~~35 miles per gallon.~~

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

6 1. \$50; and

7 2. The nearest whole number of miles per gallon that the fuel  
 8 economy rating of the model type of the automobile is greater than 35 miles per  
 9 gallon.

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

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

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

20 (f) A motor vehicle dealer shall prominently display on a vehicle offered for  
 21 sale a notice on a form prescribed by the Administration to inform consumers of the  
 22 fuel efficiency surcharge and fuel efficiency credit program. The notice shall state the  
 23 provisions of this section applicable to the vehicle and shall be in substantially the  
 24 following form:

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

27 A fuel efficiency surcharge or fuel efficiency credit is required to be applied  
 28 to purchases of certain passenger cars based on the fuel economy rating of  
 29 the motor vehicle. The fuel economy rating is determined by a weighted  
 30 average of the urban and the highway mileage ratings as determined by  
 31 the Environmental Protection Agency and published in the Environmental  
 32 Protection Agency's Gas Mileage Guide.

33 A fuel efficiency surcharge shall be applied to all passenger cars with a fuel  
 34 economy rating of less than \_\_\_\_\_ miles per gallon. The surcharge  
 35 is \_\_\_\_\_ (as provided in § 13-818 of the Transportation Article). A fuel  
 36 efficiency credit shall be applied to all passenger cars with a fuel economy  
 37 rating of more than \_\_\_\_\_ miles per gallon. The credit is \_\_\_\_\_  
 38 (as provided in § 13-818 of the Transportation Article). The credit or  
 39 surcharge on any vehicle may not be greater than an amount equal to 1%  
 40 of the total purchase price of the vehicle."

1       (F)       ~~THE ADMINISTRATION, IN CONSULTATION WITH THE STATE~~  
2 ~~COMPTROLLER AND REPRESENTATIVE VEHICLE DEALERS, SHALL DEVELOP AND~~  
3 ~~IMPLEMENT A CONSUMER INFORMATION PROGRAM FOR THE PURPOSE OF MAKING~~  
4 ~~READILY AVAILABLE TO CONSUMERS CONSIDERING THE PURCHASE OF A VEHICLE~~  
5 ~~THAT IS SUBJECT TO THIS SECTION INFORMATION CONCERNING THE APPLICATION~~  
6 ~~OF THIS SECTION TO THE VEHICLE, INCLUDING NOTICE, AS APPROPRIATE, THAT:~~

7               (1)       ~~A FUEL EFFICIENCY SURCHARGE IS IMPOSED ON THE VEHICLE~~  
8 ~~BECAUSE ITS EXCESSIVE ENERGY USE IS DETRIMENTAL TO ENVIRONMENTAL~~  
9 ~~QUALITY; OR~~

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

12       (g)       ~~The Administration may adopt regulations to implement and operate the~~  
13 ~~fuel efficiency surcharge and credit program AND THE CONSUMER INFORMATION~~  
14 ~~PROGRAM under this section.~~

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

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