

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE
Revised

Senate Bill 51 (Chairman, Judicial Proceedings Committee)
 (Departmental – Transportation)

Judicial Proceedings

Commerce and Government Matters

Vehicle Laws - Trucks, Truck Tractors, and Buses - Identification

This departmental bill requires trucks, truck tractors, and buses that operate on State highways to display an identification number issued by the U.S. Department of Transportation (USDOT) or by a State agency, as well as the name of the vehicle owner, operator, or lessee. It also applies identification requirements to utility vehicles and school vehicles, which were previously exempt. Farm vehicles, emergency vehicles, trucks registered at 10,000 pounds or less, vehicles operating within 15 days from the date of purchase, and vehicles used to transport money or commercial paper will be exempt from the identification requirements if operated intrastate only. Vehicles owned or operated by the State or any political subdivision would also be exempt if only operated intrastate. The bill becomes effective July 1, 2002.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures could increase by up to \$60,000 in FY 2002 if the Motor Vehicle Administration (MVA) issues State identification numbers for 30,000 commercial vehicles. Future years (FY 2003-2004) reflect inflation and expenditures for personnel and supplies to implement the provisions of the bill. Revenues would not be affected.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	60,000	64,650	68,470	0	0
Net Effect	(\$60,000)	(\$64,650)	(\$68,470)	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: The Department of Transportation has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: Trucks, truck tractors, and buses that operate on State highways must display a trade name, logo, or company name. They must also display one of the following: (1) the owner's or operator's city and state; (2) the company unit number; (3) a number issued by a State agency; or (4) a number issued by the defunct Interstate Commerce Commission (ICC). None of these identification requirements apply to:

- farm, school, and emergency vehicles;
- vehicles owned or operated by utility companies;
- trucks registered at 10,000 pounds or less;
- vehicles used to transport money or commercial paper; or
- vehicles operating within 30 days of purchase.

Background: Federal regulations recently changed to require interstate commercial motor vehicles to use the number issued by USDOT and eliminate the use of the number issued by the former ICC. Motor carriers are required to comply by July 3, 2002. According to the Federal Motor Carrier Safety Administration, vehicles that operate strictly on an intrastate basis are generally not issued a USDOT number and are not eligible for one; however, 18 states now require a state-issued number for commercial motor carriers.

The MVA advises that the changes are intended to bring Maryland into conformance with the Code of Federal Regulations and enhance the ability of authorities and the general public to identify a motor carrier. The regulations do not require the issuance of a state identification number.

State Fiscal Effect: It is unclear whether the State will assume responsibility for issuing an identification number in addition to the one already issued by USDOT for interstate carriers. If it does not, the bill's fiscal impact would be reduced significantly.

TTF expenditures could increase by an estimated \$60,000 in fiscal 2002 to update the MVA's computer system, \$64,650 in fiscal 2003, and \$68,470 in fiscal 2004 to conduct a public information campaign and distribute identification numbers and decals. This estimate is based on the following assumptions:

- an estimated 30,000 intrastate motor carriers will require an identification number issued by the MVA;
- communication materials, including a postcard and brochure, will cost \$16,500 over two years;
- the postage cost for mass mailings is \$16,800 over two years;
- updating the computer system will require \$60,000; and
- a two-year contractual employee is needed for the first two years of implementation to handle data entry and other clerical duties.

If the MVA is not required to issue the number, expenditures would decline by as much as \$47,400, through elimination of one contractual position (\$24,000) and some communications expenses (\$23,400). The Department of Legislative Services (DLS) advises that if other legislation is passed requiring computer programming changes, economies of scale could be realized and thus reduce the computer programming costs associated with this bill. DLS also advises that the increased computer expenditure is simply an estimate and the MVA may be able to handle the changes with either less money or existing resources.

Small Business Effect: Minimal. Some carriers may incur minimal expenses to display the company name on vehicles used for intrastate travel.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): U.S. Department of Transportation, Maryland Department of Transportation (Motor Vehicle Administration), Department of Legislative Services

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