

Department of Legislative Services
 Maryland General Assembly
 2003 Session

FISCAL AND POLICY NOTE

House Bill 1002 (Delegate Rzepkowski)
 Environmental Matters

Vehicle Laws - Limousines - Luxury Sedans

This bill provides that luxury sedans operated by a limousine service are subject to annual assessment by the Public Service Commission (PSC). A limousine includes a vehicle that is a luxury sedan with a manufacturer’s suggested retail price of at least \$30,000 that is not more than ten years old and is owned and operated exclusively by a prearranged contracted limousine service.

Fiscal Summary

State Effect: Special fund revenues could increase by approximately \$24,300 annually beginning in FY 2004. Expenditures would not be affected.

(in dollars)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
SF Revenue	\$24,300	\$24,300	\$24,300	\$24,300	\$24,300
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$24,300	\$24,300	\$24,300	\$24,300	\$24,300

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

Local Effect: None.

Small Business Effect: Minimal. Luxury sedan owners with prearranged contracted limousine services will be subject to an annual \$40 assessment by PSC.

Analysis

Current Law: Chapter 539 of 2000 established the For-Hire Driving Services Enforcement Fund as a special, nonlapsing fund to be used for PSC enforcement

activities relating to for-hire driving services. The fund consists of assessments made on permits for vehicles regulated by PSC to provide for-hire driving services (except for vehicles used exclusively for limousine service or employee van transportation). PSC established an annual assessment of \$40 for each vehicle permit.

Background: In fiscal 2003 the appropriation for the For-Hire Driving Services Enforcement Fund was \$195,722; the fiscal 2004 budget allowance is \$153,000. PSC currently regulates 5,736 for-hire vehicles, of which 670 are limousines. Regulation by PSC involves monitoring vehicle service and safety, licensing certain drivers, reviewing service rates, and handling consumer complaints. The vehicles are required to be inspected twice yearly, once by a PSC inspector and once by a licensed Maryland State Inspection Station.

State Revenues: For-Hire Driving Services Enforcement Fund revenues could increase by \$24,280 annually from the \$40 assessment fee based on 607 limousines meeting the bill's definition. According to PSC, 607 of the 670 limousines regulated are ten years old or less and it is assumed that all those meet the other two requirements of the bill; that is, they also had a manufacturer's suggested retail price of at least \$30,000 and are operated by a prearranged contracted limousine service.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Public Service Commission, Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - March 14, 2003
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