

**Department of Legislative Services**  
 Maryland General Assembly  
 2004 Session

**FISCAL AND POLICY NOTE**

House Bill 303 (Delegate Goodwin, *et al.*)  
 Environmental Matters

**Vehicle Laws – Limousines – Luxury Sedans**

This bill alters the definition of limousines and provides that limousines are subject to the assessments paid into the Public Service Commission’s (PSC) For-Hire Driving Special Services Enforcement Fund.

**Fiscal Summary**

**State Effect:** Special fund revenues would increase by \$25,000 in FY 2005 due to additional assessments on limousine service providers.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
SF Revenue	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000

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

**Local Effect:** None.

**Small Business Effect:** Potential minimal effect on limousine service providers that will be subject to a \$40 annual assessment by PSC.

**Analysis**

**Bill Summary:** The bill provides that limousines include luxury sedans that: (1) have a rated seating capacity of six passengers or more; (2) are not sport utility vehicles, vans, minivans, or station wagons; and (3) are of the current model year or have an odometer reading of less than 7,500 miles.

**Current Law:** Limousines are defined as vehicles that: (1) have been modified or stretched for transportation of passengers; and (2) are equipped with amenities not normally provided in passenger cars including custom interiors, television, video cassette recorder, musical sound system, telephone, ice storage area, additional interior lighting, and driver-passenger communication such as intercom or power-operated driver partition. Limousines are currently exempt from assessments by PSC for the For-Hire Driving Special Services Enforcement Fund.

**Background:** The Common Carrier Investigations Program enforces PSC's laws concerning the safety, insurance, and services required to be maintained by drivers of intrastate for-hire passenger vehicles with a passenger capacity of less than 16. In fiscal 2003, PSC regulated 3,488 for-hire passenger vehicles with a seating capacity of less than 16 and 2,154 for-hire passenger vehicles with a seating capacity of greater than 16. PSC performed 7,194 safety inspections of these for-hire passenger vehicles and placed 2% (144) out-of-service through inspections.

**State Revenues:** PSC indicates that it currently regulates 626 vehicles that have been registered by the Motor Vehicle Administration as Class Q limousines. Applying the \$40 annual assessment to each of these limousines would increase special fund revenues by \$25,040. PSC notes the number of vehicles assessed for this program has remained relatively constant for the past several years.

**Small Business Effect:** Small businesses that provide limousine services would be required to pay an additional annual fee of \$40 to PSC.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 6, 2004  
mam/jr

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