

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

Senate Bill 240

(Senator Schrader, *et al.*)

Judicial Proceedings

**Vehicle Laws - Provisional Driver's License Restriction for a Minor - Prohibition
 Against Minors as Passengers**

This bill requires the Motor Vehicle Administration (MVA) to impose a restriction on the licenses of provisional license holders younger than 18 prohibiting the licensee from driving a motor vehicle with a passenger younger than 18 until the 90th day (three months) after the provisional driver's license was issued. The restriction, which would be imposed on each provisional driver's license, does not apply to a passenger who is legally related to the licensee (spouse, child, stepchild, sibling, or stepsibling.) A police officer may only enforce this provision as a secondary violation (*i.e.*, it cannot be the primary cause for stopping a motorist.) A violation of the restriction is a moving violation for which an individual may be fined up to \$500 and assessed one point upon conviction.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenues due to the penalty provision applicable to this offense under the Maryland Vehicle Law (maximum \$500 fine.) Transportation Trust Fund (TTF) expenditures would increase by \$7,100 in FY 2006 due to one-time printing costs. Potential increase in computer reprogramming costs in FY 2006 only. Enforcement could be handled with existing resources.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
GF Revenue	-	-	-	-	-
SF Expenditure	7,100	0	0	0	0
Net Effect	(\$7,100)	\$0	\$0	\$0	\$0

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

Local Effect: None. All enforcement could be handled with existing resources.

Small Business Effect: None.

Analysis

Current Law: The MVA may not issue a driver's license to any individual who has not reached the age of 17 years, 7 months; exemptions are allowed for the issuance of noncommercial Class B, Class C, or Class M licenses. An applicant is entitled to receive a provisional license if the applicant meets the minimum required age (16 years and 1 month) and satisfies the learner's instructional permit requirements. The applicant must also pass a driver skills or driver road examination, surrender any learner's permit, and pay the fee.

Under the Graduated Licensing System (GLS), a provisional licensee may not drive between 12:00 midnight and 5:00 a.m. unless accompanied and supervised by a licensed driver who is at least 21 years old or the licensee is driving to or from: (1) employment; (2) a school class or official school activity; (3) an organized volunteer activity; or (4) an athletic event or related training session.

Chapter 456 of 2001 requires the MVA to place a restriction on each provisional driver's license that prohibits licensees younger than 18 from driving a vehicle if the driver and each passenger are not restrained by a seatbelt unless a medical exception applies. For a first offense on a provisional license, a driver may have to take a driver improvement course. The MVA may suspend the offender's provisional license for up to 30 days for the second offense and may suspend or revoke the offender's provisional license for up to 180 days for a third or subsequent offense.

Background: Chapter 483 of 1998 established the provisional driver's licensing system, which became effective on July 1, 1999. The National Traffic Safety Administration rates the Maryland program as acceptable. According to the Insurance Institute for Highway Safety, 40 states and the District of Columbia have a three-stage licensing system: a learner's permit, an intermediate or provisional license, and a permanent license. The restrictions placed on the intermediate license and learner's permit differ from state to state. According to the National Conference of State Legislatures, the District of Columbia and 26 states, including Delaware, New Jersey, South Carolina, and Virginia, now impose passenger restrictions on novice drivers.

Restrictions vary from allowing no passengers without the supervision of a driver 21 or older for the first 90 days that the license is issued (Indiana) to allowing no more than three passengers younger than 19 (West Virginia). In California, drivers are prohibited from transporting passengers younger than 20 unless accompanied by a parent or an adult

older than 25 for the first six months of their provisional license. A family exemption allows teens unaccompanied by an adult to drive immediate family members younger than 20 during the first six months with parental authorization. A preliminary study on the effect of the California law indicates that, in 1999, teenage passenger deaths and injuries when traveling with 16-year-old drivers declined 23% compared with the five prior years.

Research shows that teenage drivers have an increased risk of crashing, especially when accompanied by passengers. According to a 1999 Highway Loss Data Institute study, insurance injury claim frequencies and overall collision losses for cars insured for teenagers to drive are more than double those of cars insured for use by adults only. Crash risk for teenage drivers increases incrementally with the number of passengers. For drivers transporting two, three, or more passengers, the risk of crashing is three to five times greater. Older drivers with passengers have a decreased risk of crashing. According to 2000 Fatality Analysis Reporting System data, 63% of the deaths of teenage passengers in motor vehicle accidents occurred when other teenagers were driving.

State Revenues: General fund revenues could increase minimally due to the penalty provision applicable to this offense under the Maryland Vehicle Law (maximum \$500 fine). Because the violation can only be enforced as a secondary violation and the number of drivers younger than 18 is a small percentage of the driving population, any such increase is assumed to be minimal.

State Expenditures: TTF expenditures would increase by \$7,070 in fiscal 2006 to pay for one-time printing costs for GLS forms and brochures. Legislative Services observes that the driver's license handbook will require updating regardless of any legislation that may be enacted and could be handled with existing resources.

The MVA advises that associated computer reprogramming would cost \$78,540. Legislative Services advises that, if other legislation is passed requiring computer programming changes, economies of scale could be realized and lower these reprogramming costs for the MVA system.

The MVA advises that it would cost \$273,649 in fiscal 2006 to physically place a restriction on the back of every provisional driver's license issued to a driver younger than 18, assuming that all provisional license holders would return to the MVA in three months to be issued a new license without the restriction. This estimate includes salaries and fringe benefits for eight additional customer service agents and the cost of new provisional licenses. Legislative Services advises that the bill requires a restriction on a licensee that could be enforced as a matter of State law based on the date of issuance of the provisional license and the licensee's date of birth. Alternatively, any restriction

physically placed on the back of such a provisional license could include a date-specific expiration. Legislative Services further advises that the MVA did not request additional staff for a similar bill (with a six-month restriction rather than the three-month restriction proposed by this bill) in the 2004 session. Enforcement could be handled with existing revenues.

Additional Information

Prior Introductions: A similar bill passed the Senate in both the 2004 and 2003 sessions (SB 233 in 2004, SB 63 as amended in 2003), was referred to the House Environmental Matters Committee, and given an unfavorable report by that committee in both years. A similar Senate bill has been introduced every session since 1996. In addition, a similar bill was introduced in the 2004 and 2003 sessions. HB 462 of 2004 received an unfavorable report from the House Environmental Matters Committee. HB 658 of 2003 was amended and reported favorably out of the House Environmental Matters Committee, was subsequently recommitted to that committee, and no further action took place.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts,) Department of State Police, Maryland Department of Transportation, National Conference of State Legislatures, American Automobile Association, National Traffic Safety Administration, Insurance Institute for Highway Safety, Department of Legislative Services

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Analysis by: Nora C. McArdle

Direct Inquiries to:
(410) 946-5510
(301) 970-5510