

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 833

(Senator Mooney)

Judicial Proceedings

Vehicle Laws - Driving While License Is Suspended - Penalties

This bill standardizes the penalties that apply to driving with a suspended Maryland driver's license regardless of the cause of the suspension. It repeals the provisions that establish lesser penalties for driving with a suspended Maryland driver's license that results from a lapse in auto insurance, noncompliance with a notice to appear for a traffic citation or a federal traffic citation, or nonpayment of a traffic fine. The bill also prohibits a person from causing an accident that results in the injury or death to another while driving with a suspended driver's license and establishes criminal penalties.

Fiscal Summary

State Effect: General fund revenues increase \$203,500 in FY 2006 from additional filing fees for administrative hearings. Transportation Trust Fund (TTF) revenues increase \$336,000 from license reinstatement and new license fees. Minimal increase in general fund revenues and expenditures due to the bill's penalty provisions. Potential minimal general fund expenditure increase for District Court for additional court and clerical time to process new misdemeanor cases and \$160,000 general fund expenditure increase in FY 2006 only for computer and forms modifications. TTF expenditures increase \$353,600 for additional staff and resources to process driver's license revocations. Out-years include annualization and inflation.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
GF Revenue	\$203,500	\$271,400	\$271,400	\$271,400	\$271,400
SF Revenue	336,000	448,000	448,000	448,000	448,000
GF Expenditure	160,000	-	-	-	-
SF Expenditure	353,600	440,000	455,200	471,400	488,600
Net Effect	\$25,900	\$279,400	\$264,200	\$248,000	\$230,800

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

Local Effect: Minimal increase in revenues and expenditures due to the bill's penalty provisions.

Small Business Effect: None.

Analysis

Bill Summary: This bill requires the assessment of 12 points against a driver's license for driving after refusal, suspension, cancellation, or revocation of a license, except for driving after a license is suspended under the traffic laws of another state. Any person who is convicted of driving while the license is canceled, suspended, refused, or revoked (unless the suspension is under the traffic laws of another state) is subject to maximum penalties of imprisonment for one year and/or a fine of \$1,000. For any subsequent offense, the maximum penalties are two years imprisonment and/or a \$1,000 fine.

A person who causes an accident that results in the injury or death to another while driving a motor vehicle with a suspended Maryland driver's license or privilege is guilty of a misdemeanor. The violator is subject to maximum penalties of five years imprisonment and/or a \$5,000 fine.

Current Law: A person is prohibited from driving a motor vehicle while the person's license or privilege to drive is suspended in this State. A person is prohibited from driving a motor vehicle while the person's license is suspended for a lapse in auto insurance, noncompliance with a notice to appear for a traffic citation or a federal traffic citation, or nonpayment of a traffic fine. A person may not drive a motor vehicle while the person's driving license or privilege is suspended under the traffic laws of any other state for failure to comply with a notice to appear or pay a traffic fine connected with a traffic citation issued by that state.

A person who is convicted of any of the above mentioned provisions must be assessed points against the driver's license as specified. Driving after suspension of the driver's license due to a lapse in auto insurance, noncompliance with a notice to appear for a traffic citation or a federal traffic citation, or nonpayment of a fine requires the assessment of three points against the driver's license. Driving after refusal, suspension, cancellation, or revocation of a license under the traffic laws of another state also requires the assessment of three points against the driver's license. The violator is guilty of a misdemeanor and is subject to maximum penalties of two months imprisonment and/or a \$500 fine.

A person who is otherwise convicted of driving after refusal, suspension, cancellation, or revocation of the driver's license must receive an assessment of 12 points against the driver's license. The violator is subject to maximum penalties of imprisonment for one year and/or a fine of \$1,000 for a first offense. For any subsequent offense, the maximum penalties are two years imprisonment and/or a fine of \$1,000.

The Motor Vehicle Administration (MVA) must send a warning letter to any individual who accumulates three points within a two-year period. If an individual accumulates 12 points within a two-year period, the MVA must issue a notice of license revocation. The license revocation becomes effective at the end of the 10-day period after the notice is sent.

State Revenues: General fund revenues could increase by \$203,531 in fiscal 2006, accounting for the October 1 effective date of the bill if, of the 4,720 additional drivers that could be subject to license revocation under this bill, 46% or 2,171 request administrative hearings. The historical experience of the MVA indicates that about 46% of those subject to license revocation request an administrative hearing. The increase in revenues would be from the \$125 filing fee assessed for each requested MVA administrative hearing. Annualized revenues would be \$271,375, assuming no changes in caseload or fees.

General fund revenues could increase minimally as a result of the bill's monetary penalty provision from cases heard in the District Court.

TTF revenues could increase by an estimated \$336,000 in fiscal 2006 accounting for the October 1 effective date. Based on MVA historical experience, 4,720 additional drivers that would be assessed three points under current law for suspended license offenses would be subject to an assessment of 12 points and license revocation under this bill. Assuming that all drivers would want their licenses reinstated, they would be required to pay a \$75 license reinstatement fee and a \$20 fee for issuance of a new license. Annualized revenues would be \$448,000, assuming no changes in caseload or fees.

State Expenditures:

Judiciary: General fund expenditures could increase by \$160,000 in fiscal 2006 only for the District Court to modify the automated traffic system and revise the Uniform Complaint and Citation form. The District Court could also experience an additional minimal increase in expenditures if additional court and clerical time is required to process new cases from the misdemeanor charge created in the bill.

Motor Vehicle Administration: TTF expenditures could increase by an estimated \$353,550 in fiscal 2006, which accounts for the bill's October 1, 2005 effective date.

This estimate reflects the cost of hiring two customer service agents for hearings request paperwork and two case managers to process revocation reinstatement cases. It includes salaries, fringe benefits, one-time start-up costs, administrative hearing expenses, and other ongoing operating expenses. The information and assumptions used in calculating the estimate are stated below:

- A caseload of 4,720 drivers is used for the estimate. The MVA advises that in fiscal 2004, 4,720 individuals received 3 points for driving while suspended as a result of failure to pay or appear for a citation, or for a lapse in insurance coverage. Under this bill, these individuals would be assessed 12 points, would become subject to license revocation, and would be required to participate in the Driver Improvement Program.
- Based on historical experience, the MVA advises that 46% of those who have licenses revoked request an administrative hearing, resulting in 2,171 additional hearings. Accordingly, two Customer Service agents would be needed to prepare case reviews, determine the length of revocation, prepare notices, prepare hearings documentation and determine ignition interlock eligibility.
- The MVA advises that in fiscal 2004, 3,561 reinstatement cases were processed in fiscal 2004 by two full-time staff and three part-time staff. The MVA is in the process of hiring case managers to complete case reviews of revocation reinstatements. The MVA has requested three additional case managers based on an increased caseload of 4,720 revocations. However, DLS advises that with the current staff complement of two full-time customer agents and three part-time customer agents, two case managers should be able to address the increased revocation caseload.
- For each administrative hearing that is referred to the Office of Administrative Hearings, the MVA is required to pay \$92. For an increase of 2,171 hearings, TTF expenditures would increase by \$149,799 in fiscal 2006, accounting for the October 1 effective date.

Positions	4
Salaries and Fringe Benefits	\$153,195
District Court Form and Computer Modifications	160,000
Administrative Hearings	149,799
Other Operating Expenses	<u>50,556</u>
Total FY 2006 State Expenditures	\$513,550

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Department of Public Safety and Correctional Services: General fund expenditures could increase minimally as a result of the bill's incarceration penalty due to more people being committed to Division of Correction (DOC) facilities and increased payments to counties for reimbursement of inmate costs. The number of people convicted of the proposed crime is expected to be minimal.

Persons serving a sentence longer than 18 months are incarcerated in DOC facilities. Currently, the average total cost per inmate, including overhead, is estimated at \$1,850 per month. This bill alone, however, should not create the need for additional beds, personnel, or facilities. Excluding overhead, the average cost of housing a new DOC inmate (including medical care and variable costs) is \$310 per month. Excluding medical care, the average variable costs total \$120 per month.

Persons serving a sentence of one year or less in a jurisdiction other than Baltimore City are sentenced to local detention facilities. For persons sentenced to a term of between 12 and 18 months, the sentencing judge has the discretion to order that the sentence be served at a local facility or DOC. The State reimburses counties for part of their incarceration costs, on a per diem basis, after a person has served 90 days. State per diem reimbursements for fiscal 2006 are estimated to range from \$17 to \$65 per inmate depending upon the jurisdiction. Persons sentenced to such a term in Baltimore City are generally incarcerated in DOC facilities. The Baltimore City Detention Center, a State-operated facility, is used primarily for pretrial detentions.

Local Revenues: Revenues could increase minimally as a result of the bill's monetary penalty provision from cases heard in the circuit courts.

Local Expenditures: Expenditures could increase minimally as a result of the bill's incarceration penalty. Counties pay the full cost of incarceration for people in their facilities for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs of local detention facilities are expected to range from \$33 to \$119 per inmate in fiscal 2006.

Additional Information

Prior Introductions: This bill is similar to HB 1078 of 2004, which passed the House, as amended, but received no further action after being heard in the Judicial Proceedings Committee. Another similar bill, HB 664 of 2003, passed the House, as amended, but received an unfavorable report from the Judicial Proceedings Committee.

Cross File: HB 1545 (Delegate DeBoy, *et al.*) – Judiciary.

Information Source(s): Judiciary (Administrative Office of the Courts), Office of Administrative Hearings, Department of Transportation, Department of Legislative Services

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mam/jr

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