

Department of Legislative Services
 Maryland General Assembly
 2006 Session

FISCAL AND POLICY NOTE

House Bill 1299 (Delegate Goodwin)
 Environmental Matters

Vehicle Laws - Limousines - Luxury Sedans

This bill alters the definition of limousine and subjects limousine service to the assessments paid into the Public Service Commission's (PSC) For-Hire Driving Special Services Enforcement Fund.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) revenues would increase by \$9,000 in FY 2007 and \$13,400 annually thereafter due to increased registration fees on vehicles newly classified as limousines. Special fund revenues for PSC would increase by \$21,000 in FY 2008 and annually thereafter due to assessments on limousine service providers.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
SF Revenue	\$9,000	\$34,400	\$34,400	\$34,400	\$34,400
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$9,000	\$34,400	\$34,400	\$34,400	\$34,400

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

Local Effect: Local government revenue distributed from the Gasoline and Motor Vehicle Revenue Account (GMVRA) as highway user revenues would increase by \$3,840 in FY 2007 and \$5,750 annually thereafter.

Small Business Effect: Potential minimal effect on limousine service providers that would be subject to the \$40 annual assessment by PSC and an increased vehicle annual registration fee of \$35.

Analysis

Bill Summary: The bill expands the definition of “limousine” to include a luxury sedan used for transporting passengers for hire that: (1) has a rated seating capacity of six passengers or more; and (2) is not a sport utility vehicle, van, minivan, or station wagon. Limousine also includes a luxury sedan that: (1) is a “historic motor vehicle;” (2) is subject to the PSC inspection program; and (3) has received operating authority from PSC.

Current Law: Limousine is defined as a vehicle that: (1) has been modified or stretched for transportation of passengers; and (2) is equipped with amenities not normally provided in passenger cars including a custom interior, television, video cassette recorder, musical sound system, telephone, ice storage area, additional interior lighting, and driver-passenger communication such as an intercom or power-operated driver partition. A for-hire vehicle used exclusively for limousine service is 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 2005, PSC regulated 3,693 for-hire passenger vehicles with a seating capacity of less than 16 and 2,291 for-hire passenger vehicles with a seating capacity of more than 16. PSC performed 6,605 safety inspections of these for-hire passenger vehicles and placed 2% out-of-service through inspections.

State Revenues: PSC indicates that it currently regulates 525 vehicles that have been registered by the Motor Vehicle Administration (MVA) as Class Q limousines. Applying the \$40 annual assessment to each of these limousines would increase special fund revenues by \$21,000 in fiscal 2008 and annually thereafter. PSC advises that this assessment is collected between July and October each year; therefore, the fiscal effect would begin in fiscal 2008.

The current annual registration fee for a Class Q limousine is \$185. The current annual registration fee for a for-hire vehicle (Class B) is \$150. These fees are paid on a biennial basis. PSC advises that there are 548 vehicles currently regulated as for-hire vehicles that would be newly classified as limousines. The MVA advises that registrations would be switched as Class B vehicles become due for renewal. These 548 vehicles are currently subject to the PSC \$40 assessment for the For-Hire Driving Special Services Enforcement Fund as they are classified as for-hire vehicles.

Therefore, TTF revenues would increase by \$12,800 in fiscal 2007 which accounts for the October 1 effective date, and \$19,180 annually thereafter. As the TTF retains 70% of registration revenues, net TTF revenues would increase by \$8,950 in fiscal 2006 and by \$13,430 thereafter.

Local Effect: Local government revenues distributed from GMVRA as highway user revenues would increase by \$3,840 in fiscal 2006 and \$5,750 annually thereafter.

Additional Information

Prior Introductions: HB 392 of 2005, a similar bill, was heard by the House Environmental Matter Committee and no further action was taken.

Cross File: None.

Information Source(s): Public Service Commission, Maryland Department of Transportation, Office of People's Counsel, Department of Legislative

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ncs/jr

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