

Department of Legislative Services

Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 265

(The President, *et al.*) (By Request - Administration)

Judicial Proceedings

Environmental Matters

Vehicle Laws - Teen Driver Safety

This Administration bill (1) increases by three months the age limit for issuance of a provisional driver's license and driver's license; (2) authorizes the Motor Vehicle Administration (MVA) to cancel the license of a minor on request of the person who cosigned the minor's driver license application and provides for reissuance of a minor's cancelled license; (3) establishes new penalties against the provisional license of persons younger than 18 who commit two or more moving violations; and (4) requires MVA to submit an application for a criminal history records check for a driving instructor candidate.

The provisions of the bill regarding age of eligibility for licenses apply prospectively and do not apply to those who have already obtained a license.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase beginning in FY 2010 due mostly to the cost of computer reprogramming and for additional suspension and revocation hearings. TTF revenues increase due to the increased collection of various MVA fees and to meet cost-recovery provisions, but may be partially or fully offset in FY 2010 only due to delayed collection of fees for the issuances of driver's licenses.

Local Effect: None. Any additional burden on local operations or enforcement can be handled with existing resources.

Small Business Effect: The Administration has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: MVA is prohibited from issuing:

- a provisional license to anyone younger than 16 years, 6 months, or within 9 months of being granted probation before judgment for a moving violation; and
- a driver's license to anyone younger than 18, or within 18 months of either being granted probation before judgment for a moving violation or a provisional driver's license restriction or from the date of restoration of a provisional license that has been cancelled.

The bill prohibits the holder of a learner's permit from taking a driver skills or road examination for a provisional license within nine months of being granted probation before judgment for a moving violation.

The bill requires MVA to cancel the license of a minor, if it receives a written request to do so by the person that cosigned the license application. MVA may not reissue a license to the minor unless another qualified adult cosigns an application for a license, or until the minor becomes an adult.

MVA is authorized to conduct a driver improvement program designed specifically for young drivers.

For an individual younger than 18 who held a provisional license on the date of a violation for which the individual was convicted of, or granted probation before judgment for:

- a second offense, MVA may suspend the driver's license for 30 days and impose an education and employment only restriction for 90 days following the suspension;
- a third offense, MVA may suspend the license for up to 180 days, require the driver to attend a young driver improvement program, and impose an education and employment only restriction for 180 days following the suspension; and
- a fourth or subsequent offense, MVA may revoke the license – for 180 days or more – and require the driver to apply for reinstatement of the revoked license, including retaking and passing the skills and driving examinations.

An education and employment only restriction authorizes a driver to drive only to or from a class, official school activity, or the driver's place of employment.

MVA must submit an application for a driving instructor candidate to the Criminal Justice Information System Central Repository of the Department of Public Safety and Correctional Services, including two sets of fingerprints and the required fees. The information obtained from the Central Repository is confidential and must be forwarded to the driving instructor candidate and MVA.

Current Law: Prior to issuing a driver's license, MVA is required to issue to an applicant a learner's instructional permit unless otherwise permitted by MVA by virtue of being already licensed in another state or country, or by the armed forces. A learner's permit may only be issued to an individual who is at least 15 years and 9 months old. Upon issuance of the learner's permit, the holder may drive under the immediate supervision of an adult age 21 or older who has held a driver's license for at least three years. The holder of a learner's permit is then required to wait six months from the date of issuance of the permit or from the date of the last moving violation to take a driver examination. A learner's permit expires two years after the date of issuance.

Upon successful completion of a driver's examination, an applicant who held a learner's permit or who held another state's or country's driver's license for less than 18 months is entitled to receive a provisional driver's license, as long as the applicant is at least 16 years and 3 months old. Once a provisional license is granted, the licensee must wait 18 months from the date of issuance, the date of the last moving violation or provisional license restriction offense, or the date of restoration of a suspended or revoked license, before a full driver's license may be obtained. In any event, MVA may not issue a full license to an applicant who is younger than 17 years and 9 months old.

MVA currently requires a holder of a provisional license, upon conviction of a moving violation, to attend a driver improvement program. If a holder of a provisional license is convicted of a second offense, MVA may suspend the license for up to 30 days; for a third offense, MVA may suspend or revoke the offender's provisional license for up to 180 days. The offender has the right to an administrative hearing under Title 16, Subtitle 2 of the Transportation Article.

Certain vehicle laws and regulations state that an individual's license may be suspended or revoked only after a hearing. If an individual is convicted of one or more moving violations then, after a hearing, the individual may be required by MVA or a court, to attend a driver improvement or alcohol education program as a condition of reinstatement of the driver's license. In addition, if the individual fails to attend a required hearing, the individual may be required by a court or by MVA to attend a driver improvement or alcohol education program.

MVA is required to suspend the license of a minor if it receives a request to do so by the person who cosigned the minor's application for a license; MVA may not reinstate the license until another qualified adult cosigns an application or until the minor becomes an adult.

A person may not act as a driving instructor unless the person is licensed by MVA after completion of the application required by MVA. MVA advises that it currently requires driving instructor applicants to be fingerprinted in order to obtain State criminal history records.

Background: Chapter 483 of 1998 established the provisional driver's licensing system, which became effective on July 1, 1999. Forty-six 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. As of February 2009, the Insurance Institute for Highway Safety rates the Maryland program as good (the best rating it gives).

According to a 2006 study conducted by the Johns Hopkins Bloomberg School of Public Health, graduated driver licensing (GDL) programs reduce the incidence of fatal crashes by 16-year-old drivers by 11%. Analyzing various components of state graduated licensing laws, the researchers found that, the greater the number of components, the fewer the fatalities. Thus, states with a five-component program reduced fatalities by 18% as compared with states with no graduated licensing laws, and states with a six- or seven-component program were able to reduce fatalities by 21%.

State Fiscal Effect: TTF expenditures increase beginning in fiscal 2010 due to the cost of reprogramming MVA computers and reprinting MVA forms. MVA has not quantified the cost of reprinting MVA forms and providing supplements for driver's handbooks but advises that the cost may be significant.

Reimbursable expenditures from TTF to the Office of Administrative Hearings (OAH) increase as a result of additional suspension and revocation hearings. For each case requested, MVA must pay \$125 to OAH. Historical data indicate that 46% of suspension cases result in an appeal to OAH. Enforcement of the bill's provisions can be handled with existing budgeted resources.

TTF revenues increase due to the collection of fees for the correction, renewal, and reinstatement of suspended or revoked licenses and for the retaking of skills and driver examinations. However, the TTF revenue increase may be offset in fiscal 2010 only due to the adjusted age limit and the associated delay in the collection of fees for the issuance of provisional driver's licenses and driver's licenses.

Statute mandates that MVA recover all costs by setting the levels of miscellaneous fees, including driver's license application fees, so that the total projected revenues are at least 95% but do not exceed 100% of the sum of its operating budget, average annual capital program, and share of costs for use of the Maryland Department of Transportation's data center operations. In accordance with this cost-recovery requirement, TTF revenues may also increase should MVA need to raise its various fees to recover the additional costs associated with the bill.

The Department of Public Safety and Correctional Services advises that the fingerprinting and criminal history checks required under the bill are services that are already being provided for numerous other purposes; the increased workload can be handled with existing resources. The cost of these services is passed on to the applicant, resulting in no fiscal impact for the State. In addition, because MVA advises that it already requires the fingerprinting of driving instructor applicants, Legislative Services advises that MVA can handle the criminal history records check requirements with existing resources.

Additional Information

Prior Introductions: None.

Cross File: HB 303 (The Speaker, *et al.*) (By Request - Administration) - Environmental Matters.

Information Source(s): Kent County, Washington County, Worcester County, Baltimore City, Judiciary (Administrative Office of the Courts), Montgomery County, Department of State Police, Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - February 9, 2009
mam/ljm
Revised - Senate Third Reader - April 6, 2009
Revised - Enrolled Bill - May 15, 2009
Revised - Correction - August 25, 2009

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Vehicle Laws-Young Drivers – Driving Privileges

BILL NUMBER: Senate Bill 265

PREPARED BY: Governor's Legislative Office

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND
SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.