

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 209

(Senator Stone, *et al.*)

Finance

Environmental Matters

State Highway Administration - Snow Removal - Use of Farm Trucks

This bill authorizes the State Highway Administration (SHA) within the Maryland Department of Transportation to hire an owner of a registered farm truck for snow removal services when a statewide or local emergency is declared. The farm trucks, and the owner and operator of the farm truck, must meet specified minimum requirements. Motor fuel used to operate a farm truck for SHA snow removal purposes is not eligible for a refund of motor fuel tax. Farm trucks may assist with snow removal in only the county in which the farm truck is registered. SHA may adopt regulations to implement the bill.

Fiscal Summary

State Effect: None. The bill does not increase the total amount spent by SHA on snow removal services, assuming that farmers are paid the same hourly rate as the private contractors currently hired for such services.

Local Effect: None.

Small Business Effect: Minimal for farmers who are small businesses and receive payment for snow removal.

Analysis

Current Law: A farm truck is a Class E truck vehicle, with a shipping weight of its chassis and battery, as certified by the manufacturer, of more than 0.75 tons. Any applicant who certifies that he/she is a farmer and specifies its proposed use is entitled to a Class E farm truck registration. The annual registration fee paid is based on the

maximum gross vehicle weight and ranges from \$5.00 to \$5.25 per 1,000 pounds. Farm trucks can only be used for hire to haul farm products for another farmer.

SHA is directed, among other things, to keep all State highways reasonably clear of snow.

A claim for a refund of motor fuel tax may be filed by a claimant who pays the tax on motor fuel used to operate farm equipment for an agricultural purpose; however, the farm equipment cannot be registered to operate on a public highway.

Background: In fiscal 2008, SHA had \$46.4 million in winter maintenance expenditures. Of this amount, \$14.2 million was for contractor payments to aid in snow removal. These contracts run from November 15 to April 30. SHA currently pays \$95 to \$175 per hour for a dump truck and \$150 to \$180 per hour for a loader. The fiscal 2010 budget includes \$21.0 million for winter maintenance expenditures.

At the end of fiscal 2008, there were 27,993 actively registered farm trucks in the State.

Additional Information

Prior Introductions: Similar legislation was introduced as SB 939 of 2008. The Finance Committee held a hearing on the bill, but no further action was taken.

Cross File: None.

Information Source(s): Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2009
mcp/ljm Revised - Senate Third Reader - March 19, 2009
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