

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 2

(Senator Colburn, *et al.*)

Judicial Proceedings

Environmental Matters

**Vehicle Laws - Registration and Driver's License Renewal Fees - No Charge for
Recipients of Medal of Honor**

This bill exempts Medal of Honor recipients from being charged a fee by the Motor Vehicle Administration (MVA) for the renewal of a vehicle's registration or a Class A, B, C, D, E, or M driver's license.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) and other special fund revenues decrease negligibly due to the bill's exemption of Medal of Honor recipients from vehicle registration and driver's license renewal fees. Expenditures are not affected.

Local Effect: Local government revenues decrease negligibly due to fewer license and registration fees being distributed as highway user revenues.

Small Business Effect: None.

Analysis

Current Law: The holder of a noncommercial Class A, B, C, D, E, or M driver's license must pay MVA a \$30 fee for renewal of the license. Registration renewal fees vary based on the size and class of the vehicle. However, most cars and light trucks are Class A vehicles subject to a \$128 biennial registration renewal fee, or \$180 if the vehicle is over 3,700 pounds, as is typical of large light trucks. As part of the registration fee, owners pay an annual \$13.50 surcharge to fund emergency medical system operations and trauma physician services.

Vehicles exempt from vehicle registration fees by MVA include:

- a vehicle owned and operated by a unit of a national veterans' organization;
- a vehicle owned and personally used by a veteran who has lost the use of a hand, arm, or leg, or is totally disabled, or has a permanent impairment of both eyes of a type specified in law; and
- a vehicle owned and personally used by an individual who is at least 65 years old and is the surviving spouse of a deceased disabled veteran.

Each registered vehicle that is exempt from registration fees must display a special identification marker approved by MVA. The special identification marker for an exempt vehicle must indicate that the Veterans' Administration has approved the veteran as qualified for the exemption in conformance with statutorily specified conditions. A disabled veteran whose vehicle is eligible for exemption may also receive a special registration number and plates without payment of the registration fees.

Background: The Medal of Honor is granted to a member of the U.S. Military who has distinguished himself or herself conspicuously by gallantry and intrepidity at the risk of his or her life above and beyond the call of duty while engaged in an action against an enemy of the United States, while engaged in military operations involving conflict with an opposing foreign force, or while serving with friendly foreign forces engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party. The Medal of Honor has been awarded to 3,449 recipients since the Civil War; 83 medals are accredited to Marylanders.

State Revenues: The number of Medal of Honor recipients residing in Maryland is currently unknown but is likely fewer than five. Further, it is unknown in which year a recipient would be due to renew his or her driver's license or vehicle's registration, or which size and class of vehicles are owned by the recipient. However, due to the limited number of situations in which this would apply, any decline in renewal fee revenue is not likely to reach or exceed \$1,000 for any biennial renewal period.

Additional Information

Prior Introductions: SB 46 of 2010 passed in the Senate but received no further action after a hearing in the House Environmental Matters Committee.

Cross File: HB 1017 (Delegate O'Donnell, *et al.*) – Environmental Matters.

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

Fiscal Note History: First Reader - January 12, 2011
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Analysis by: Evan M. Isaacson

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