

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 322 (Delegate K. Kelly, *et al.*)
Health and Government Operations

Motor Vehicle Administration - Yellow Dot Program

This bill establishes a Yellow Dot Program in the Motor Vehicle Administration (MVA) to provide a means of alerting emergency responders to important health and other information in the event a program participant is involved in a motor vehicle emergency and is unable to communicate.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase, likely by at least \$150,000, in FY 2014, and to a lesser extent in future years, for MVA to establish a Yellow Dot Program. TTF revenues increase, likely by a greater extent, beginning in FY 2014 from the collection of fees by MVA paid by program participants to cover the costs of the program, as authorized by the bill.

Local Effect: The bill is not anticipated to materially affect local finances.

Small Business Effect: None.

Analysis

Bill Summary: MVA must design, implement, and administer the Yellow Dot Program and may charge a fee to recover the cost of program administration. Under the program, a participant, by affixing a yellow dot decal to a vehicle, consents to a search of the vehicle's glove compartment or glove box by emergency responders for specified health information forms. MVA must publicize the program and distribute program materials in cooperation with the Department of State Police (DSP), county and municipal fire departments, and volunteer fire and rescue companies in the State.

Current Law/Background: While a Yellow Dot Program has not been established in Maryland, there are programs in several other states and communities. The first Yellow Dot Program was initiated in Connecticut in 2002. Alabama was the first state to institute a program statewide, in which 51 out of 67 counties participate as of February 2012. More recently, Illinois, New York, Pennsylvania, and Utah began implementing statewide programs, and Tennessee enacted a law in 2012 that authorizes its transportation department to begin implementing a statewide Yellow Dot Program for drivers age 65 or older. Local programs also exist in several other states.

State Fiscal Effect: The Department of Legislative Services (DLS) advises that a reliable estimate of TTF revenues or expenditures cannot be made without greater certainty as to the number of drivers that may participate in the Yellow Dot Program. However, DLS estimates that, based on participation in Yellow Dot programs in Alabama and New York, roughly 150,000 privately owned vehicles in Maryland may seek inclusion in the Yellow Dot Program in fiscal 2014, with an additional 100,000 participants joining the program in fiscal 2015, and 50,000 per year beginning in fiscal 2016. Thus, under one set of assumptions, DLS estimates that 400,000 yellow dots may be issued over a five-year period between fiscal 2014 and 2018.

Accordingly, TTF expenditures may increase by about \$178,900 in fiscal 2014 and by a total of \$357,300 over a five-year period. This is based on MVA's estimated cost of \$0.70 per decal for materials, postage, and processing, as well as \$74,173 in external reprogramming costs in fiscal 2014 only, distributed among the 400,000 estimated drivers between fiscal 2014 and 2018.

Under this set of data and assumptions, MVA could charge a fee of \$1 and cover the cost of the program over a five-year period, although the fee would not be sufficient to cover costs in fiscal 2014 due to the significant initial cost of contracting with a private vendor to undertake the necessary computer reprogramming. Further, if MVA were to charge a fee of \$1, but fewer than about 247,200 drivers were to participate in the Yellow Dot Program, then costs would exceed revenues over a five-year period. Therefore, if MVA were to charge a fee of \$1.25 per decal, revenues would exceed costs in fiscal 2014, assuming participation of 150,000 drivers in fiscal 2014, and provide reasonable assurance that TTF revenues exceed program costs over the long term.

Any future costs for MVA or DSP for advertising or promotions are assumed to be able to be handled with the existing budgeted resources of both agencies. Any potential efficiencies for State or local emergency responders as a result of the program cannot be reliably estimated.

Additional Comments: Several counties have advised that a Yellow Dot Program may pose some practical challenges and unintended consequences. For example, the individual that was issued the yellow dot sticker may not be in the motor vehicle involved in an accident, which may cause confusion for a first responder providing medical assistance.

Additional Information

Prior Introductions: A similar bill, SB 890 of 2012, received a hearing in the Senate Judicial Proceedings Committee but was withdrawn. Its cross file, HB 230, received a hearing in the House Health and Government Operations Committee but was withdrawn.

Cross File: SB 222 (Senator Raskin) - Judicial Proceedings.

Information Source(s): Kent, Montgomery, and Worcester counties; Baltimore City; Maryland Institute for Emergency Medical Services Systems; Department of State Police; Maryland Department of Transportation; New York State Sheriffs Association; Pennsylvania Department of Transportation; Alabama Department of Economic and Community Affairs; Department of Legislative Services

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