

Department of Legislative Services
 Maryland General Assembly
 2014 Session

FISCAL AND POLICY NOTE

House Bill 538 (Delegate Beidle, *et al.*)
 Environmental Matters

Task Force to Study Issues Related to the Use of Self-Driving Vehicles

This bill establishes the Task Force to Study Issues Related to the Use of Self-Driving Vehicles staffed by the Maryland Department of Transportation (MDOT). The task force must determine the most effective and appropriate best practices for governing self-driving vehicles, based on a review of the laws of other states and any research or guidance provided by the U.S. Department of Transportation and other sources. The task force must also review specified provisions in the Maryland Vehicle Law to determine if updates are needed to accommodate self-driving vehicles. Finally, the task force must make recommendations on driver training and education programs and liability issues for crashes involving self-driving vehicles. The bill provides for the membership of the task force and specifies that task force members may not receive compensation but are entitled to reimbursement for expenses. The task force must report its findings and recommendations to the Governor and the General Assembly by January 1, 2017.

The bill takes effect June 1, 2014, and terminates June 30, 2017.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase by \$75,000 in FY 2015 and 2016 and by \$50,000 in FY 2017 for MDOT to contract with a consultant with expertise on the use of self-driving vehicles. It is assumed that MDOT staff support and any reimbursements provided are minimal and absorbable within existing budgeted resources. Revenues are not affected.

| (in dollars) | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
|----------------|------------|------------|------------|---------|---------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| SF Expenditure | 75,000 | 75,000 | 50,000 | 0 | 0 |
| Net Effect | (\$75,000) | (\$75,000) | (\$50,000) | \$0 | \$0 |

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law/Background: Self-driving, or autonomous, vehicles have been the subject of numerous development efforts around the world over the past several decades. More recently, several major automobile manufacturers and Google have unveiled plans to develop a self-driving vehicle for the commercial market. Nevada was the first state to enact legislation authorizing the use of self-driving vehicles in 2011 and issued its first license to Google. Since then, three other states (California, Florida, and Michigan) and the District of Columbia have also enacted legislation authorizing the testing or operation of self-driving vehicles. Legislation has also been considered by 13 other states in 2013, according to the National Conference of State Legislatures (NCSL). According to NCSL, several issues that states are considering to accommodate the use of self-driving vehicles include liability, appropriate levels of insurance, cyber security, and application of distracted driving laws for the individual who engages the self-driving vehicle.

State Expenditures: TTF expenditures increase by \$75,000 in fiscal 2015 and 2016 and by \$50,000 in fiscal 2017 for MDOT to contract with a consultant with expertise on the use of self-driving vehicles. MDOT advises that this estimate is based on the cost of previous task forces, such as the Blue Ribbon Commission on Transportation Funding and the Local and Regional Funding Task Force, and the assumption that the contract is structured to spread payment over three years. It also reflects a one-month start-up delay and phase out of the consultant's services in the final year.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Transportation, National Conference of State Legislatures, Department of Legislative Services

Fiscal Note History: First Reader - February 7, 2014
mc/ljm

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