

Department of Legislative Services
 Maryland General Assembly
 2015 Session

FISCAL AND POLICY NOTE

Senate Bill 778 (Senators Serafini and Ferguson)
 Judicial Proceedings

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 requires the task force to report its findings and recommendations to the Governor and the General Assembly by January 1, 2017.

The bill takes effect June 1, 2015, and terminates June 30, 2017.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase by \$100,000 in FY 2016 and \$100,000 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 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	100,000	100,000	0	0	0
Net Effect	(\$100,000)	(\$100,000)	\$0	\$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, and several other automakers are considering adding certain features to make future model-year vehicles semi-autonomous or capable of assisting human drivers.

Nevada was the first state to enact legislation authorizing the use of self-driving vehicles in 2011 and issued its first license to Google in May 2012. Since then, three other states (California, Florida, and Michigan) and the District of Columbia have, as of February 2014, also enacted legislation authorizing the testing or operation of self-driving vehicles. Legislation has also been considered by 10 other states in 2013, according to the National Conference of State Legislatures (NCSL), although none of the bills passed. As of November 16, 2014, the Stanford University Center for Internet and Society reports that legislation was pending in Massachusetts, New Jersey, and New York to authorize or regulate the use of such vehicles. 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 the application of distracted driving laws for the individual who engages the self-driving vehicle.

State Expenditures: TTF expenditures increase by \$100,000 each year in fiscal 2016 and 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 evenly over two fiscal years. It also reflects a one-month start-up delay.

Additional Information

Prior Introductions: None.

Cross File: HB 172 (Delegate Beidle, *et al.*) - Environment and Transportation.

Information Source(s): Maryland Department of Transportation, National Conference of State Legislatures, Stanford University Center for Internet and Society, Department of Legislative Services

Fiscal Note History: First Reader - March 16, 2015
mel/ljm

Analysis by: Evan M. Isaacson

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