

Department of Legislative Services
 Maryland General Assembly
 2016 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 486 (Delegate Reilly, *et al.*)
 Environment and Transportation

Motor Vehicles - Gross Vehicle Weight - Agricultural Products

This bill increases the gross vehicle weight limit tolerance for vehicles carrying agricultural products during harvest time in specified circumstances.

The bill takes effect June 1, 2016.

Fiscal Summary

State Effect: Assuming a one-month start-up delay, Transportation Trust Fund expenditures increase by \$220,000 in FY 2017 for the State Highway Administration (SHA) to assess the ability of bridges in the State to handle the increased weight limits permitted under the bill, and to post weight limit signage if necessary. In future years, SHA will need to conduct annual inspections of bridges at a cost of \$150,000 per year. Revenues are not likely materially affected.

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	220,000	150,000	150,000	150,000	150,000
Net Effect	(\$220,000)	(\$150,000)	(\$150,000)	(\$150,000)	(\$150,000)

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

Local Effect: Local government finances are not likely materially affected.

Small Business Effect: Meaningful.

Analysis

Bill Summary: The bill establishes that, except on interstate highways, a specified vehicle either registered as a farm vehicle or carrying farm products (as defined in the Agriculture Article) that were loaded in fields or other off-highway locations, is permitted a gross vehicle weight limit tolerance of 15% from limits in the Transportation Article during certain harvest periods, including:

- wheat, for the period from June 1 to August 15;
- corn, for the period from July 1 to December 1;
- soybeans, for the period from September 1 to December 31; and
- vegetable crops, for the period from June 1 to October 31.

Current Law: Under the Agriculture Article, “farm products” are defined as any agricultural, horticultural, vegetable, or fruit product of the soil, including livestock, meats, marine food products, poultry, eggs, dairy products, wool, hides, feathers, nuts, honey, and every product of farm, forest, orchard, garden, or water. However, the term does not include canned, frozen, dried, or pickled products.

Specified vehicles are permitted an axle load limit tolerance of 5% from established limits in the Transportation Article. During harvest seasons for wheat, corn, soybeans, and vegetable crops, the axle load limit tolerance is 15% (relative to the specified limits in the Transportation Article).

The gross weight of any vehicle or combination of vehicles may not exceed 80,000 pounds, including any enforcement or statutory tolerances. This limit applies to a vehicle or combination of vehicles with five or more axles; lower limits apply to vehicles or combinations of vehicles with fewer axles.

Fines apply to violations for exceeding permitted weight tolerances – with \$33 in court costs due, plus 1 cent for each pound for the first 1,000 pounds over the limit. The fines escalate based on how much over the limit the violator is.

Background: The Maryland Department of Agriculture (MDA) advises that transportation of agricultural bulk commodities is a significant cost for farmers in terms of fuel, equipment, labor, and time. The legislation allows up to a 15% increase in the gross vehicle weight of trucks hauling corn, soybeans, wheat, and vegetables during harvest season. This higher weight limit would increase hauling flexibility and efficiency while reducing transportation costs for farmers.

MDA further advises that the variability of weight at time of harvest due to moisture and other factors is a significant concern for farmers. The bill allows flexibility for error for farmers who, during harvest season, are attempting to ship crops in a timely manner. For example, MDA advises, corn weights can range from 45 to 60 pounds per bushel coming out of the field, and the difference in weight can be hard to discern. Corn kernel dry matter is denser than water, and as the amount of water decreases, the bulk density of the kernel increases. Thus, there is often an inverse relationship between the weight of corn and moisture, with weight increasing as moisture declines per bushel. To further complicate matters, moisture levels in corn can vary in an individual field, meaning weight per bushel can fluctuate when offloading into trucks carrying similar volumes.

State Fiscal Effect: SHA advises that approximately 1,000 bridges in the State likely require an analysis to assess the ability of the bridges to safely carry the specified vehicles as repetitive loads. The cost of the initial analysis is \$200,000. Furthermore, approximately 5% of the bridges likely require weight limit postings at a cost of \$400 per bridge, resulting in an additional \$20,000 in initial costs.

Approximately 10% of the bridges require annual inspections (as opposed to the current biennial inspections) in perpetuity, resulting in \$150,000 in expenditures annually beginning in fiscal 2017. This analysis assumes all costs associated with inspections and signage are deferred to fiscal 2017.

SHA further advises that, although it is not possible to reliably estimate the costs associated with increased physical damage to existing bridge structures as a result of the bill, the cost for a single strengthening project could total \$250,000 or more. Any such impact is not factored into this estimate.

SHA also advises that the bill does not likely affect issuance of exceptional hauling permits to legally transport overweight loads and that the bill is not expected to materially affect State revenues.

Small Business Effect: Any farms that qualify as small businesses may be meaningfully affected by the bill, as the bill permits them to carry larger loads during harvest season. Larger permissible load limits could increase revenues during harvest season. In general, MDA estimates the bill allows a farmer to haul considerably more bushels of corn per trip. In 2015, 164 bushels of corn were harvested per acre in Maryland on 380,000 acres. In 2014, the average was 175 bushels. Other crops affected by the legislation include wheat (270,000 acres harvested in 2015), soybeans (515,000 acres in 2015), and vegetables (13,970 acres in 2014). These farms may also benefit from paying fewer penalties for overweight limits.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 17, 2016
md/ljm

Analysis by: Eric Pierce

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