

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 304 (Delegate Lehman, *et al.*)
 Environment and Transportation and
 Judiciary

Motor Vehicles - Noise Limits and Modification of Exhaust Systems and Noise
 Abatement Devices

This bill establishes the Sound Measuring Equipment Grant Program in the Governor’s Office of Crime Prevention, Youth, and Victim Services (GOCPYVS) to provide grants to local law enforcement agencies for the purchase of equipment to measure the sound level of a motor vehicle in operation on a highway. Beginning in fiscal 2025, the Governor must include in the annual budget bill an appropriation of \$2.0 million for the program. The bill also specifies the maximum threshold for sound level limits that must be adopted by the Motor Vehicle Administration (MVA) pursuant to existing statute. Finally, the bill alters penalties and enforcement provisions related to the modification of exhaust systems on motor vehicles.

Fiscal Summary

State Effect: General fund expenditures increase by \$2.0 million annually beginning in FY 2025 due to the mandated appropriation. General fund revenues are likely minimally affected beginning in FY 2024. Enforcement can be handled with existing resources. **This bill establishes a mandated appropriation beginning in FY 2025.**

(\$ in millions)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
GF Revenue	-/(-)	-/(-)	-/(-)	-/(-)	-/(-)
GF Expenditure	\$0	\$2.0	\$2.0	\$2.0	\$2.0
Net Effect	-/(-)	(\$2.0)	(\$2.0)	(\$2.0)	(\$2.0)

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

Local Effect: For a local law enforcement agency that applies for and receives a grant, local revenues and expenditures increase, as grants are received and used for authorized purposes. Enforcement can be handled with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law:

Grant Program Established by the Bill

Under the grant program established by the bill, a local law enforcement agency may use any awarded grant funds to purchase hardware, software, or any other technical equipment necessary. GOCPYVS is authorized to adopt regulations to carry out the grant program.

Motor Vehicle Sound Level Limits

Under current law, MVA is required to adopt regulations establishing maximum sound level limits for each type of motor vehicle or combination of vehicles (including new motor vehicles). Generally, MVA must set the most restrictive level that (through the application of the best available technology at a reasonable cost) is consistent with attaining environmental noise standards adopted by the Maryland Department of the Environment. For motor carriers engaged in interstate commerce, MVA must consider any noise emission regulations established under federal law. The bill expressly requires MVA to set maximum sound level limits at no more than 95 decibels; current regulations already establish limits below that threshold.

Modification of Exhaust Systems on Motor Vehicles

Under current law, a person is prohibited from modifying the exhaust system (or any other noise abatement device) of a motor vehicle driven (or to be driven) on any highway in the State in such a way that the noise emitted by the vehicle exceeds that emitted by the vehicle as originally manufactured. Further, a person may not drive on any highway in the State a motor vehicle with an exhaust system or noise abatement device modified in a prohibited way. A violation of either of these provisions is a misdemeanor with a maximum \$500 fine. The payment penalty for either violation is \$70.

Under the bill, a person convicted of a violation of these provisions is subject to (1) a \$200 fine for a first offense; (2) a \$300 fine for a second offense; and (3) a \$400 fine for a third or subsequent offense.

The bill exempts from these provisions (1) a historic motor vehicle; (2) a historic truck, tractor, or motor home; or (3) a street rod. However, any such vehicles must be properly registered pursuant to existing State law.

Also, under the bill, if a police officer observes a vehicle being operated in violation of existing prohibitions related to improperly modified exhaust systems, the officer may stop

the driver of the vehicle and, in addition to a citation charging the driver with the offense, must issue to the driver a safety equipment repair order.

State Revenues: Exhibit 1 shows the number of violations and guilty dispositions for the violations addressed by the bill in fiscal 2022. The effect on general fund revenues is unclear. Although the bill establishes lower penalties than the \$500 maximum under current law, the modified penalties are higher than the prepayment amounts established by the District Court under current law (*i.e.*, \$70). Thus, individuals who would otherwise prepay may be more likely to contest a violation in District Court under the bill given the higher penalty levels.

Exhibit 1
Violations for the Offenses Addressed by the Bill
Fiscal 2022

<u>Violation</u>	<u>Charges</u>	<u>Guilty (Prepaid)</u>	<u>Guilty After Trial</u>
Modifying an exhaust system or noise abatement device on a motor vehicle causing excessive noise emission	474	165	167
Motor vehicle equipped with unlawfully modified exhaust system or noise abatement device	532	248	90

Source: Judiciary (Administrative Office of the Courts); Department of Legislative Services

Because the Judiciary does not currently track the average penalties that are assessed after a trial conviction, the amount of general fund revenues currently received from these violations is unknown. The penalty levels specified in the bill are assumed to be prepayable; thus, to the extent a similar number of individuals prepay and/or are found guilty after a trial, general fund revenues may increase. On the other hand, if more individuals contest a violation and are either found not guilty or assessed a penalty that is lower than the average amount that is assessed for violations (*i.e.*, under current law), revenues may decrease. Additionally, the bill's exemptions may further reduce general fund revenues (although the share of current violations related to vehicles exempt under the bill is unknown). However, given the number of guilty dispositions in fiscal 2022, any impact on general fund revenues is not expected to be significant.

State Expenditures: General fund expenditures increase by \$2.0 million annually beginning in fiscal 2025 due to the bill’s mandated appropriation to GOCPYVS, which must subsequently distribute the funds to local law enforcement agencies. A local law enforcement agency that receives funding under the bill must (1) use the funding only in accordance with specified requirements of State law and (2) comply with any data sharing and reporting requirements established by GOCPYVS.

While GOCPYVS advises that three additional staff are needed to implement the grant program, the Department of Legislative Services assumes the program can be managed with one additional grants specialist. Existing administrative staff can likely provide support to the grants specialist as needed; to the extent they are unable to do so, additional staff may be necessary to fully administer the grant program. Any costs for personnel are assumed to be deducted from the \$2.0 million mandated appropriation beginning in fiscal 2025, and the remaining funds are assumed to be distributed as grants.

Position	1.0
Salary and Fringe Benefits	\$76,348
Grant Funding	1,915,978
Operating Expenses	<u>7,674</u>
Total FY 2025 State Expenditures	\$2,000,000

Future years reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

Any changes to enforcement related to the bill’s modification of noise abatement violation laws can be handled with existing resources.

Local Fiscal Effect: To the extent a local law enforcement agency receives a grant under the program, revenues and expenditures increase correspondingly beginning in fiscal 2025. As required by the bill, any such funding is assumed to be used to purchase hardware, software, or any other technical equipment necessary to measure motor vehicle sound levels.

Enforcement changes can be handled with existing resources.

Additional Information

Prior Introductions: Similar legislation has been introduced within the last three years. See HB 1333 of 2022.

Designated Cross File: None.

Information Source(s): Governor's Office of Crime Prevention, Youth, and Victim Services; Judiciary (Administrative Office of the Courts); Maryland Department of the Environment; Department of State Police; Maryland Department of Transportation; Department of Legislative Services

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