

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 709

(Chair, Judicial Proceedings Committee)(By Request -
 Departmental - Transportation)

Judicial Proceedings

Environment and Transportation

**Motor Vehicles - Commercial Driver's Licenses and Instructional Permits -
 Revisions**

This departmental bill extends the term of a commercial driver’s instructional permit from 180 days to one year. The bill also exempts a holder of a commercial driver’s license (CDL) who applies for renewal from the requirement to pass a vision test if the individual has a current certificate of physical examination on file with the Motor Vehicle Administration (MVA), as required under specified federal regulations.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) revenues decrease by approximately \$263,300 in FY 2024 and by \$351,000 in subsequent years due to fewer reissuances of commercial driver’s instructional permits. TTF expenditures are not materially affected; however, MVA may realize operational efficiencies, as discussed below.

(in dollars)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
SF Revenue	(\$263,300)	(\$351,000)	(\$351,000)	(\$351,000)	(\$351,000)
Expenditure	0	0	0	0	0
Net Effect	(\$263,300)	(\$351,000)	(\$351,000)	(\$351,000)	(\$351,000)

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

Local Effect: None.

Small Business Effect: The Maryland Department of Transportation has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law:

Instructional Permits

A learner's instructional permit held by an individual who currently holds a driver's license to operate one class of motor vehicle and desires a driver's license for another class of vehicle expires 180 days after the date of issuance of the permit.

Vision Tests

Generally, MVA must require every individual applying for a renewal of a driver's license to pass a vision test (as prescribed by MVA). However, MVA must also accept a certification of acceptable visual acuity from a licensed physician in lieu of a test at an MVA site. The examination for which certification is made must take place within two years of the date of application for renewal.

An individual who is age 21 or older – but younger than age 40 – may apply for a renewal, as specified, *without* taking a vision test if the applicant has passed an authorized vision test within the previous nine years.

If MVA has reason to believe that an individual is a safety hazard due to a vision deficiency, it may require the vision test at any time.

Background: MVA advises it is seeking to extend the term of a commercial driver's instructional permit from 180 days to one year to allow drivers more time to complete required training and to obtain on-the-road practice. Federal regulations, which used to limit the term of a commercial driver's instructional permit to at most 180 days, now allow for up to a one-year term.

MVA further advises that, in early 2022, the Federal Motor Carrier Safety Administration (FMCSA) enacted a change requiring drivers to receive additional training prior to taking the commercial skills test, which, in turn, is required to receive a CDL. The additional training requirements have increased the overall amount of time required to obtain a CDL, and MVA notes that many drivers do not successfully complete all portions of the CDL skills testing in the initial 180-day term. In those instances, instructional permit holders must obtain a new 180-day instructional permit, which requires the individual to pass a written knowledge skills test again.

MVA reports the retesting requirement can sometimes discourage drivers from continuing the process. Thus, extending the permit to a one-year term is anticipated to provide greater

flexibility for drivers and, potentially, to ease the shortage of qualified CDL drivers in the State.

With respect to the change to the requirement regarding a vision test, MVA advises that FMCSA requires MVA to have a valid biennial medical examiner's certificate, which requires a vision test, on file for a CDL holder. The bill will allow MVA to consider that certificate a valid report for purposes of meeting the statutory vision test requirement.

State Fiscal Effect: Because the bill extends the term of a commercial driver's instructional permit (from 180 days to one year), MVA anticipates fewer individuals will apply for a second instructional permit.

Under the bill, MVA estimates that approximately 3,900 fewer individuals will seek a second instructional permit on an annual basis. The fee for the instructional permit is \$90; thus, TTF revenues decrease by approximately \$351,000 annually (\$263,250 in fiscal 2024 due to the bill's October 1, 2023 effective date).

As noted above, if an individual does not complete the requirements for a CDL within the current 180-day timeframe, the individual must again pass a written knowledge skills test. Because fewer instructional permit reissuances will be necessary under the bill, MVA will need to retest less often. As a result, administrative efficiencies may be realized.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - February 20, 2023
km/lgc Third Reader - March 14, 2023

Analysis by: Eric F. Pierce

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

ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Vehicle Laws - Commercial Learner's Permit Issued for a Term of One Year

BILL NUMBER: SB0709

PREPARED BY: MDOT MVA
(Dept./Agency)

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

 X WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

 WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS