

Department of Legislative Services
 Maryland General Assembly
 2008 Session

FISCAL AND POLICY NOTE

House Bill 1231

(Delegate Malone, *et al.*)

Environmental Matters

Judicial Proceedings

Vehicle Laws - Failure to Yield Right-of-Way - Penalties for Death or Serious Bodily Injury

This bill establishes penalties against a person convicted of failing to yield the right of way if the violation contributes to serious bodily injury or death. If the violation contributes to an accident that results in serious bodily injury or death to another person, the violator is subject to maximum penalties of a \$1,000 fine and a 180-day license suspension. A driver subject to these sanctions may request a hearing on the license suspension.

The bill takes effect July 1, 2008.

Fiscal Summary

State Effect: Potential significant increase in general fund revenues as a result of the bill's penalty provisions. General fund revenues increase by \$50,200 in FY 2009 due to filing fees for additional administrative hearings. Transportation Trust Fund (TTF) revenues increase by \$17,400 in FY 2009 due to additional license fees. TTF expenditures could increase by \$102,300 in FY 2009 for personnel and resources to handle the additional license suspension and hearing caseload generated by the bill. Out-years reflect the full-year effect of suspensions on revenues and inflation.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
GF Revenue	\$50,200	\$66,900	\$66,900	\$66,900	\$66,900
SF Revenue	17,400	23,200	23,200	23,200	23,200
SF Expenditure	102,300	115,800	119,700	123,700	127,900
Net Effect	(\$34,700)	(\$25,700)	(\$29,600)	(\$33,600)	(\$37,800)

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

Local Effect: The bill's requirements could be enforced with existing resources.

Small Business Effect: None.

Analysis

Current Law: A serious bodily injury creates a substantial risk of death or causes serious permanent or protracted disfigurement, loss, or impairment of the function of any body part, organ, or mental faculty.

A vehicle at an intersection generally has the right of way over any other vehicle approaching from the left and must yield the right of way to any other vehicle approaching from the right. At a "T" intersection with no traffic control device, any person driving on a highway that intersects, but does not cross the highway, must yield to any other vehicle traveling on the other highway.

If a driver approaches a through highway, the driver must stop at the entrance and yield the right of way to any other vehicle approaching on the highway. A driver about to enter or cross a highway from a private road or driveway must yield the right of way to any approaching vehicles. A driver who is about to enter or cross a paved highway from an unpaved highway must yield the right of way to any other approaching vehicle on the paved highway.

A violation of any of these laws is a misdemeanor. A violator is subject to a maximum fine of \$500 and the imposition of one point if the violation does not contribute to an accident and three points if the violation contributes to an accident. The current prepayment penalty charged by the District Court for these offenses is \$110. If the violation contributes to an accident, then the prepayment penalty is \$150. There are no penalties associated specifically with accidents involving failure to yield right of way that result in serious bodily injury or death.

State Revenues: General fund revenues could increase by \$50,156 in fiscal 2009 from the filing fees for additional administrative hearings that could occur under the bill after suspensions have been imposed. Annualized revenue would be \$66,875, assuming no changes in caseload or fees.

The Motor Vehicle Administration advises that, in calendar 2006, there were 17,312 failure-to-yield accidents, including 81 with fatalities and 8,015 with injuries. State Police historical data indicate that about half of the accidents with bodily injuries are presumed to be life-threatening and about half of those injured (4,008) would be

passengers. The conviction rate with “failure to yield” as the primary cause is about 27%. It should be noted that convictions involving injuries or fatalities may also result from other related charges, such as reckless or aggressive driving; however, this estimate assumes the conviction rate is 27%. Accordingly, there were about 1,162 failure-to-yield convictions that involved serious bodily injuries or fatalities.

MVA experience indicates that about 46% of those who have licenses suspended request a hearing. The estimate assumes that 27%, or 1,162, of those who are involved in failure-to-yield accidents with serious bodily injury or death are convicted, have their licenses suspended, and that 46%, or 535, of that group request an administrative hearing and pay the filing fee of \$125.

General fund revenues could increase significantly due to the bill’s penalty provisions for those cases heard in the District Court.

TTF revenues could increase by \$17,430 in fiscal 2009 and \$23,240 annually thereafter as those convicted for the offenses described above would have their licenses suspended and later pay \$20 to obtain a new license. The estimate for fiscal 2009 includes the initial impact of a maximum six-month suspension and assumes that MVA would suspend the driver’s licenses and drivers would purchase corrected licenses within one fiscal year. The estimate assumes no changes in caseload or fees such that 1,162 additional drivers could be convicted of the proposed crime each year and have their licenses suspended as a result of the bill.

The Office of Administrative Hearings advises that the additional hearings that could be generated by this bill could be handled within existing resources.

State Expenditures: TTF expenditures could increase by an estimated \$102,268 in fiscal 2008, which accounts for the bill’s July 1, 2008 effective date and assumes immediate implementation, except for the costs related to additional administrative hearings, which assumes a three-month implementation delay. This estimate reflects the cost of hiring one customer service agent to prepare suspension and administrative hearing notices associated with new cases. It includes a salary, fringe benefits, one-time start-up costs, expenditures for additional administrative hearings, and ongoing operating expenses.

Positions	1
Salary and Fringe Benefits	\$46,167
Administrative Hearing Fees	50,156
Other Operating Expenses	<u>5,945</u>

Total FY 2009 State Expenditures

\$102,268

Future year expenditures reflect • a full salary with 4.4% annual increases and 3% employee turnover; and • 2% annual increases in ongoing operating expenses.

MVA advises that computer programming modifications to the driver licensing system required by the bill could result in a one-time expenditure of \$130,000 in fiscal 2009 only. The District Court also advises that general fund expenditures could increase at least \$179,789 in fiscal 2009 only for computer programming changes to several automated systems and updating of electronic citations systems that would be required to implement the bill's provisions.

However, the Department of Legislative Services advises that, if other legislation is passed requiring computer programming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the District Court and the MVA system. Further, DLS advises that the increased computer expenditure is an estimate and that the District Court and MVA may be able to handle the changes within existing resources. It is also assumed that the mailing and printing costs from additional notices could be absorbed within existing resources.

Additional Information

Prior Introductions: This bill is similar to SB 863 of 2007 and HB 827 of 2007. Both bills received no action after being heard in the Senate Judicial Proceedings and House Environmental Matters Committees, respectively.

Cross File: SB 712 (Senator Haines, *et al.*) – Judicial Proceedings.

Information Source(s): Judiciary (Administrative Office of the Courts), Office of Administrative Hearings, Maryland Department of Transportation, Department of Legislative Services

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mll/ljm

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