

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 1038 (Senator Salling)
Judicial Proceedings

State Highway Administration - Overweight Vehicle Permits

This bill authorizes the State Highway Administration (SHA) to issue a permit that allows an overweight vehicle that has at least six axles to use a “heavy weight corridor,” which means a motor vehicle route comprising one or more highways that (1) have a load rating of between 40 tons (80,000 pounds) and 50 tons (100,000 pounds) and (2) are specifically designated by SHA. The permit fee is \$100 annually.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase by as much as \$200,000 in FY 2020; TTF revenues decrease, potentially significantly, beginning in FY 2020, to the extent that SHA implements the new permit program authorized under the bill in addition to (or instead of) its existing permit program, as discussed below.

Local Effect: Assuming that SHA is unable to designate a locally owned highway as “heavy weight corridor,” the bill does not directly affect local operations or finances.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The permit issued by SHA (1) authorizes the permitted vehicle to carry up to 100,000 pounds; (2) is valid for a 12-month period from the date of issuance; (3) may be renewed by the permit holder on expiration; and (4) authorizes the permit holder to operate the overweight vehicle on a heavy weight corridor at all times of the day, without restriction.

Current Law/Background: Generally, any vehicle with a gross maximum weight of more than 73,000 pounds may travel only on State highways (except while making a delivery or pickup – and then only when traveling by the shortest available legal route to or from the State highway). In Baltimore City, the shortest available legal route must be only on designated truck routes.

Furthermore, the gross weight of any vehicle or combination of vehicles generally 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. However, exceptional hauling permits are available for certain types of loads (typically available for one year or 30 days).

SHA also has a hauling permit program, through its [Maryland One permitting system](#), under which a person can obtain a *single-use* special hauling permit for an average fee of about \$55. The permit allows the person to haul up to 100,000 pounds on a single trip, and an additional permit must be obtained for every additional trip. Furthermore, if the person plans to use Maryland Transportation Authority (MDTA) highways, SHA charges an additional \$25 fee and remits it to MDTA. Similarly, Baltimore City has its own hauling permit fees for its roads. In 2018, SHA processed 14,907 such hauling permit applications and received more than \$888,400 in fee revenues. This total does not include Baltimore City or MDTA fees.

State Fiscal Effect: As previously discussed, SHA currently has a hauling permit program that allows a person to haul up to 100,000 pounds in a single load on the State’s highways. To the extent that SHA chooses to implement the additional permit program authorized by the bill, TTF expenditures increase significantly to develop, test, and deploy the new program. SHA advises that costs to do so could be as much as \$200,000. This analysis assumes implementation in fiscal 2020. Once operational, SHA can administer the new program using existing budgeted resources.

Similarly, to the extent that SHA chooses to implement the additional permit program authorized by the bill, TTF revenues likely decrease. Persons who would otherwise acquire one of SHA’s existing permits (at an average cost of about \$55 per trip) are likely to instead choose to acquire a permit (at \$100 annually) under the program established by the bill. Even so, any such impact depends on which areas SHA designates as heavyweight corridors under the bill and, therefore, cannot be reliably estimated at this time.

Based on route and vehicle information, SHA’s permitting systems are able to determine whether the issuance of a permit will exceed the parameters of roadways along the route. Therefore, the bill is not expected to materially affect TTF highway maintenance expenditures.

Small Business Effect: Any small businesses that operate along a “heavy weight corridor” designated by SHA may be able to routinely carry heavier loads under the bill. Such businesses can acquire a permit for \$100 annually instead of an average cost of about \$55 per trip under the existing permit program. Accordingly, they may realize efficiencies and meaningful savings due to fewer trips (with heavier loads) and payment of one fee rather than several fees throughout the year.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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