

Department of Legislative Services
 Maryland General Assembly
 2016 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 126 (Senator Serafini)
 Judicial Proceedings

Task Force to Study Issues Related to the Use of Self-Driving Vehicles

This bill establishes the Task Force to Study Issues Related to the Use of Self-Driving Vehicles staffed by the Maryland Department of Transportation (MDOT). The task force must determine the most effective and appropriate best practices for governing self-driving vehicles, based on a review of the laws of other states and any research, analysis, or guidance provided by the U.S. Department of Transportation (DOT) and other sources. The task force also has to review specified provisions in the Maryland Vehicle Law to determine if updates are needed to accommodate self-driving vehicles. Finally, the task force must make recommendations on driver training and education programs, liability issues for crashes involving self-driving vehicles, and any other issue the task force determines to be relevant if self-driving vehicles are authorized for use on State highways. The bill specifies the membership of the task force and requires it to report findings and recommendations to the Governor and the General Assembly by January 1, 2018.

The bill takes effect June 1, 2016, and terminates June 30, 2018.

Fiscal Summary

State Effect: No effect in FY 2016; however, Transportation Trust Fund (TTF) expenditures increase by \$50,000 in FY 2017 and \$50,000 in FY 2018 for MDOT to contract with a consultant with expertise on the use of self-driving vehicles. It is assumed that MDOT staff support and any reimbursements provided are absorbable within existing budgeted resources. Revenues are not affected.

(in dollars)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	0	50,000	50,000	0	0
Net Effect	\$0	(\$50,000)	(\$50,000)	\$0	\$0

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law/Background: Self-driving, or autonomous, vehicles have been the subject of numerous development efforts around the world over the past several decades. More recently, several major automobile manufacturers and Google have unveiled plans to develop a self-driving vehicle for the commercial market, and several other automakers are considering adding certain features to make future model-year vehicles semi-autonomous or capable of assisting human drivers.

Nevada was the first state to enact legislation authorizing the use of self-driving vehicles in 2011 and issued its first license to Google in May 2012. Since then, 5 other states (California, Florida, Michigan, North Dakota, and Tennessee) and the District of Columbia have, as of January 2016, also enacted legislation related to self-driving vehicles. Legislation was introduced in 16 states in 2015, according to the National Conference of State Legislatures (NCSL), although only two of the bills were signed into law. According to NCSL, several issues that states are considering to accommodate the use of self-driving vehicles include liability, appropriate levels of insurance, cyber security, and the application of distracted driving laws for the individual who engages the self-driving vehicle.

In January 2016, DOT announced policy guidance updating the National Highway Traffic Safety Administration's (NHTSA) 2013 preliminary policy statement on autonomous vehicles. DOT and NHTSA's updated policy is to facilitate and encourage the development and deployment of technologies with the potential to save lives. NHTSA will propose, within six months, best-practice guidance to industry on establishing principles of safe operation for fully autonomous vehicles.

State Expenditures: TTF expenditures increase by \$50,000 each year in fiscal 2017 and 2018 for MDOT to contract with a consultant with expertise on the use of self-driving vehicles. Although the bill takes effect in fiscal 2016, this estimate reflects a one-month start-up delay as MDOT does not anticipate additional expenses until the beginning of fiscal 2017. MDOT also advises the total cost of the task force has declined since a 2015 estimate for a prior introduction because some of the work is already being done by an existing workgroup.

Additional Comments: According to MDOT, the department (in particular the Motor Vehicle Administration) has convened a workgroup to study issues that might be associated with self-driving and connected vehicles. The workgroup consists of State agencies, local

government representatives, highway user groups, motor truck representatives, and representatives of car manufacturers. This group expects to cover many of the issues addressed in the bill.

Additional Information

Prior Introductions: HB 172 of 2015 passed the House and received a hearing in the Senate Judicial Proceedings Committee, but no further action was taken. Its cross file, SB 778, received an unfavorable report from the Senate Judicial Proceedings Committee. HB 538 of 2014, a substantially similar bill, received an unfavorable report from the House Environmental Matters Committee.

Cross File: HB 8 (Delegate Beidle) - Environment and Transportation.

Information Source(s): Maryland Department of Transportation, National Conference of State Legislatures, National Highway Traffic Safety Administration, U.S. Department of Transportation, Department of Legislative Services

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md/ljm

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