

Department of Legislative Services
 Maryland General Assembly
 2017 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1000 (Delegate Reilly, *et al.*)
 Environment and Transportation

Motor Vehicles - Gross Vehicle Weight - Agricultural Products

This bill increases the gross vehicle weight limit tolerance for vehicles carrying agricultural products during harvest time in specified circumstances. The higher gross vehicle weight limit tolerance only applies to a vehicle traveling within 150 miles of the field or other off-highway location where the vehicle was loaded.

The bill takes effect June 1, 2017.

Fiscal Summary

State Effect: General fund revenues decrease, beginning as soon as FY 2017, to the extent that fewer vehicles are assessed fines for exceeding permitted weight tolerances because of higher limits allowed under the bill. Transportation Trust Fund (TTF) expenditures increase by \$220,000 in FY 2018 for the State Highway Administration (SHA) to assess the ability of bridges in the State to handle the increased weight limits permitted under the bill and to post weight limit signage if necessary. In future years, SHA needs to conduct annual inspections of bridges at a cost of \$150,000 per year. TTF expenditures may increase significantly more beginning in FY 2018 for additional highway system preservation and maintenance, as discussed below.

(in dollars)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
GF Revenue	(-)	(-)	(-)	(-)	(-)
SF Expenditure	\$0	\$220,000	\$150,000	\$150,000	\$150,000
Net Effect	(-)	(\$220,000)	(\$150,000)	(\$150,000)	(\$150,000)

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

Local Effect: Local government highway maintenance expenditures may increase beginning in FY 2018. Revenues are not affected.

Small Business Effect: Meaningful.

Analysis

Bill Summary: The bill establishes that, except on interstate highways, a specified vehicle, either registered as a farm vehicle or carrying farm products (as defined in the Agriculture Article) that were loaded in fields or other off-highway locations, is permitted a gross vehicle weight limit tolerance of 10% from limits in the Transportation Article during certain harvest periods, including:

- wheat, for the period from June 1 to August 15;
- corn, for the period from July 1 to December 1;
- soybeans, for the period from September 1 to December 31; and
- vegetable crops, for the period from June 1 to October 31.

Current Law:

Vehicle Weight Limits

Specified vehicles (that are registered as farm vehicles or carrying farm products) are permitted an axle load limit tolerance of 5% from established limits in the Transportation Article. During harvest seasons for wheat, corn, soybeans, and vegetable crops, the axle load limit tolerance is 15% (relative to the specified limits in the Transportation Article). Similar provisions relate to vehicles carrying forest products.

The gross weight of any vehicle or combination of vehicles 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.

Fines apply to violations for exceeding permitted weight tolerances – with \$33 in court costs due, plus one cent for each pound for the first 1,000 pounds over the limit. The fines escalate based on how much over the limit the violator is.

Exceptional Hauling Permits

Chapter 451 of 2011 repealed, effective June 1, 2011, the exceptional hauling permits for milk and forestry products available for certain vehicles in specified counties and replaced them with a statewide exceptional hauling permit for all “farm products” under essentially the same parameters. Such a permit is subject to a maximum of 87,000 pounds gross combination weight. “Farm product” is defined as any agricultural, horticultural, vegetable, or fruit product of the soil, including livestock, meats, marine food products, poultry, eggs, dairy products, wool, hides, feathers, nuts, honey, and every product of farm, forest, orchard, garden, or water, but it does not include canned, frozen, dried, or pickled products.

Chapter 450 of 2014 established two separate exceptional hauling permits for the transport of raw milk. One was available only seasonally for a two-year period and applied to combinations of vehicles with at least five axles and a maximum gross vehicle weight of 88,000 pounds. The other continues to be available year-round and applies to combinations of vehicles with at least six axles; the maximum gross vehicle weight for that permit is 95,000 pounds. Chapter 450 also removed the authorization for an exceptional farm hauling permit to haul milk.

Other weight limits apply to a combination of vehicles operating under the authority of an exceptional hauling permit (whether for farm products or raw liquid milk).

Failure to comply with the terms and conditions of the exceptional hauling permit voids the permit. Also, SHA may stop issuing or renewing these exceptional hauling permits if the administrator determines that their use is adversely affecting any part of the State highway system.

An applicant for an exceptional hauling permit must pay SHA \$250 for a new or renewal annual permit and \$30 for issuance of a 30-day permit. Fees are substantially higher to reinstate a permit that was revoked (\$1,000 for a first violation and \$5,000 for a second or subsequent violation within the prior 24 months).

Background: The Maryland Department of Agriculture (MDA) advised for a previous introduction of this bill that transportation of agricultural bulk commodities is a significant cost for farmers in terms of fuel, equipment, labor, and time. The bill allows up to a 10% increase in the gross vehicle weight of trucks hauling corn, soybeans, wheat, and vegetables during harvest season. This higher weight limit increases hauling flexibility and efficiency while reducing transportation costs for farmers.

MDA further advised that the variability of weight at time of harvest due to moisture and other factors is a significant concern for farmers. The bill establishes a tolerance for

fluctuating weights for farmers who, during harvest season, are attempting to ship crops in a timely manner. For example, MDA advised corn weights can range from 45 to 60 pounds per bushel coming out of the field, and the difference in weight can be hard to discern. Corn kernel dry matter is denser than water, and as the amount of water decreases, the bulk density of the kernel increases. Thus, there is often an inverse relationship between the weight of corn and moisture, with weight increasing as moisture declines per bushel. To further complicate matters, moisture levels in corn can vary in an individual field, meaning weight per bushel can fluctuate when off-loading into trucks carrying similar volumes.

State Revenues: Because the bill authorizes a slightly heavier load than the currently available exceptional hauling permit for farm products, TTF revenues may decrease minimally if use of that permit is moderated in favor of the authorization under the bill. Any such impact cannot be reliably quantified. However, general fund revenues likely decrease due to fewer fines imposed for carrying excess weight.

State Expenditures: Under the bill, vehicles that meet the specified requirements are permitted a gross vehicle weight tolerance of 10% from limits without being required to obtain an exceptional hauling permit. This weight limit is generally comparable to that allowed by an exceptional hauling permit under current law. Specifically, vehicles carrying farm products are already authorized to obtain exceptional hauling permits, which must be approved and issued by SHA, and the maximum gross vehicle weight authorized by such permits is 87,000 pounds. Because there is no mechanism available to control the number of vehicles operating under the bill's limits (or the areas in which such vehicles operate beyond the restriction against interstate highway use and the 150-mile radius from the loading site), SHA anticipates additional expenditures in order to assess the ability of bridges throughout the State to handle the heavier loads.

Bridge Inspections

SHA advises that approximately 1,000 bridges in the State likely require an analysis to assess the ability of the bridges to safely carry the specified vehicles as repetitive loads. The \$200,000 cost of the initial analysis is incurred in fiscal 2018. Furthermore, approximately 5% of the bridges likely require weight limit postings at a cost of \$400 per bridge, resulting in an additional \$20,000 in initial costs.

Approximately 10% of the bridges require annual inspections (as opposed to the current biennial inspections) in perpetuity, resulting in \$150,000 in expenditures annually beginning in fiscal 2019.

SHA further advises that, although it is not possible to reliably estimate the costs associated with increased physical damage to existing bridge structures as a result of the bill, the cost

for a single strengthening project could total \$250,000 or more. Any such impact is not factored into this estimate.

Highway System Maintenance

In addition to costs related to bridges, TTF expenditures also increase, potentially significantly, beginning in fiscal 2018 for additional highway system maintenance and preservation. Any such impact cannot be reliably quantified as it depends on the extent to which the bill's authorization for heavier loads is utilized. With exceptional hauling permits, the SHA administrator can stop issuing or renewing permits if their use is determined to be adversely affecting any part of the State highway system; there is no such constraint associated with the authorization in the bill.

For context, SHA has advised for previous legislation that roadway damage increases by about 67% with a 10,000 pound increase in vehicle weight (and no change in the number of axles), and roadway damage increases by about 111% with a 2,000 pound increase in vehicle weight and a reduction from six axles to five axles.

Small Business Effect: Any farms that qualify as small businesses may be meaningfully affected by the bill, as it permits them to carry heavier loads during harvest season. Larger permissible load limits may increase their profits during harvest season. Such farms may carry essentially the same load as under an exceptional hauling permit without the necessity of obtaining one; they may also benefit from paying fewer penalties for overweight limits.

Additional Information

Prior Introductions: HB 486 of 2016, a similar bill, received an unfavorable report from the House Environment and Transportation Committee.

Cross File: None.

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

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