

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 796 (Delegates T. Branch and Brooks)
 Economic Matters

For-Hire Driving Services - Return of Property Left in Vehicles

This bill requires a taxicab driver or transportation network operator to, on request of a previous passenger, promptly return any property left inside the vehicle if (1) the driver or operator was notified within two hours after completing the ride and (2) the total value of the lost property exceeds \$100. Otherwise, the driver or operator must deliver any lost property found in the vehicle, as specified, to a drop-off location designated by the Public Service Commission (PSC) within the political subdivision where the vehicle normally operates. The taxicab company or transportation network company may charge a fee for returning any property, calculated as specified, but not to exceed \$50. PSC may impose a civil penalty of up to \$100 for each violation, as specified.

Fiscal Summary

State Effect: Special fund expenditures for PSC increase by \$51,700 in FY 2023; future years reflect annualization, inflation, and ongoing costs. Special fund revenues increase correspondingly from assessments imposed on public service companies. The bill’s penalty provision is not anticipated to materially affect State finances.

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
SF Revenue	\$51,700	\$59,800	\$61,500	\$63,000	\$64,700
SF Expenditure	\$51,700	\$59,800	\$61,500	\$63,000	\$64,700
Net Effect	\$0	\$0	\$0	\$0	\$0

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

Local Effect: The bill does not materially affect local government finances or operations.

Small Business Effect: Potential meaningful.

Analysis

Current Law: In addition to its better-known role in the regulation of electric and gas utility rates, PSC also regulates persons engaged in the public transportation of individuals for-hire in such as cars, vans, limousines, and buses. This includes issuing relevant permits for the vehicles and issuing related licenses to authorize drivers to operate those vehicles for hire.

Generally, a person may not operate a motor vehicle for-hire in the State under a permit or authorization to transport passengers issued by PSC or the appropriate local authority unless the person holds a for-hire driver's license or a transportation network operator's (*e.g.*, an Uber driver) license issued by PSC. There are limited exceptions. PSC only issues permits for taxicabs in Baltimore City and a few local jurisdictions.

State Fiscal Effect: Special fund expenditures for PSC increase by \$51,738 in fiscal 2023, which accounts for the bill's October 1, 2022 effective date. This estimate reflects the cost of hiring one full-time administrative specialist to handle enforcement activities and complaints investigations under the bill. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1
Salary and Fringe Benefits	\$42,332
Operating Expenses	<u>9,406</u>
Total FY 2023 State Expenditures	\$51,738

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses. Special fund revenues increase correspondingly from assessments imposed on public service companies as authorized under current law.

Small Business Effect: To the extent taxicab companies/drivers are considered small businesses, they likely face operational costs in the management, handling, and return of lost property.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Public Service Commission; Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2022
fnu2/lgc

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