



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 83

PRINTERS NO. 2323

PRIME SPONSOR: Greenleaf

COST / (SAVINGS)

FUND	FY 2014/15	FY 2015/16
Motor License Fund	See "Fiscal Impact"	See "Fiscal Impact"
Multimodal Transportation Fund	See "Fiscal Impact"	See "Fiscal Impact"
Public Transportation Trust Fund	See "Fiscal Impact"	See "Fiscal Impact"
Municipal Funds	\$0	\$0

SUMMARY: Provides for the operation of "neighborhood electric vehicles" in the Commonwealth. This legislation would take effect on May 1, 2015.

ANALYSIS: This legislation amends Chapter 35 of the Vehicle Code (Title 75) to create a new subchapter entitled "Operation of neighborhood electric vehicles" (NEVs).

The legislation requires NEVs to comply with the Federal safety standards established in federal regulations at 49 CFR 571.500 (relating to standard no. 500; low-speed vehicles).

This legislation authorizes travel in NEVs on roadways with a posted speed limit of no more than 25 mph unless otherwise permitted by PennDOT or the municipality and allows NEVs to cross roadways posted with a higher maximum speed. NEVs will be required to be equipped with most basic safety equipment, such as brakes, mirrors, seatbelts, horn, windshield and wipers, speedometer, odometer, headlamps, stop lamps, turn signals and reflectors, among other federal requirements.

The legislation requires a NEV to have a safety information decal affixed in a conspicuous place on the rear of the vehicle which shall display in prominent lettering "25 MPH Vehicle." The decal shall be at least 4 inches in height by 10 inches in length.

NEVs will be required to be titled and registered by PennDOT and will not be subject to annual emissions inspections, and operators must possess a valid driver's license.

Additionally, PennDOT or local governments are given the power to restrict movement of NEVs where they might constitute a road hazard or where they must cross a highway that has a higher speed limit. PennDOT is required to do this by posting a notice in the Pennsylvania Bulletin and local governments must do this by ordinance or resolution. Furthermore, an NEV may cross intersections where there are higher speed limits and if that intersection is in excess of 35 mph, it must be done only where there is a traffic signal.

FISCAL IMPACT: According to PennDOT, they would be required to deploy computer system upgrades totaling approximately \$150,000 to accommodate new vehicle makes and types for the titling and registration of these vehicles. If and as routes are approved for use, they would require signage as a safety countermeasure. The cost to install one of these signs will be approximately \$200.

PennDOT would be required to develop a policy as to determine which routes would be approved for use. This would require a study of other state policies as to determine best practices. PennDOT would also be required to issue route permits for state routes in excess of 25 mph but less than 35 mph. PennDOT anticipates that it would be able to perform these administrative duties utilizing existing staff.

It is anticipated that any costs incurred by PennDOT could eventually be offset by the registration and titling fees associated with these new NEVs. Under current law, the registration of a passenger vehicle is \$36 and is projected to go to \$37 in FY 2015-16 with the inflationary adjustment. This revenue remains with the Motor License Fund. The cost to title a vehicle in Pennsylvania is now \$50 and is projected to go to \$52 in FY 2015-16 with the inflationary adjustment. This revenue is divided as follows for FY 2015-16: 10.4% to the Motor License Fund, 23% to the Multimodal Transportation Fund, and 66.6% to the Public Transportation Trust Fund. In the event that 5,000 of these vehicles are titled and registered in the Commonwealth in 2015-16, the following revenues would be realized: Motor License Fund - \$212,040, Multimodal Transportation Fund - \$59,800, Public Transportation Trust Fund - \$173,160.

It is anticipated that this legislation would have no adverse fiscal impact on municipalities.

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House Appropriations Committee (R)

DATE: October 6, 2014

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.