SENATE BILL 586

D3 1lr1570 CF HB 388

By: Senators Ramirez and Zirkin

Introduced and read first time: February 4, 2011

Assigned to: Judicial Proceedings

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 27, 2011

CHAPTER

1 AN ACT concerning

Courts – Service of Process – Motor Vehicle Administration <u>and Insurer</u> as Agent for Driver

- FOR the purpose of expanding provisions of law designating the Motor Vehicle 4 5 Administration as agent with respect to service of process in an action related to 6 a motor vehicle accident or collision to include certain resident drivers under 7 certain circumstances; requiring the Administration to serve as an agent for 8 service of process under certain circumstances, take certain actions, and report 9 certain information annually to the General Assembly; requiring a motor 10 vehicle insurer to act as the agent for a certain resident driver with regard to a 11 subpoena, summons, or other process issued in a certain action related to a certain motor vehicle accident under certain circumstances; requiring the motor 12 13 vehicle insurer to take certain actions, provide copies of certain documents, and keep certain records; authorizing the motor vehicle insurer to collect a certain 14 fee; defining a certain term; providing for the application of this Act; and 15 generally relating to service of process on certain drivers under certain 16 17 circumstances.
- 18 BY repealing and reenacting, with amendments,
- 19 Article Courts and Judicial Proceedings
- 20 Section 6–313
- 21 Annotated Code of Maryland
- 22 (2006 Replacement Volume and 2010 Supplement)

23 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



32

1 2 3 4	Article – Courts and Judicial Proceedings Section 6–314 Annotated Code of Maryland (2006 Replacement Volume and 2010 Supplement)					
5 6 7 8 9	BY repealing and reenacting, with amendments, Article – Transportation Section 12–104(f) Annotated Code of Maryland (2009 Replacement Volume and 2010 Supplement)					
10 11	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:					
12			Article - Courts and Judicial Proceedings			
13	6–313.					
14	(a)	(1)	In this section the following words have the meanings indicated.			
15 16	Transporta	(2) tion Ar	"Motor vehicle" has the meaning stated in § 11–135 of the ticle.			
17 18	Transporta	(3) tion Ar	"Nonresident" has the meaning stated in § 11–139 of the ticle.			
19 20	11–140 of t	[(4) he Trai	"Nonresident's privilege to drive" has the meaning stated in § nsportation Article.]			
21 22	TRANSPOI	(4) RTATIO	"RESIDENT" HAS THE MEANING STATED IN § 11–149 OF THE ON ARTICLE.			
23 24 25 26			By [exercising a nonresident's privilege to drive] DRIVING a motor ate, a nonresident OR RESIDENT irrevocably appoints the Motor ration as agent to receive a subpoena, a summons, or other process			
27 28 29	_		(I) Issued in an action that is related to an accident or collision or vehicle driven by the nonresident driver and in which the r is named as a party; and			
30		[(2)]	(II) Directed to the nonresident driver.			
31		(2)	THE MOTOR VEHICLE ADMINISTRATION MAY BE SERVED AS			

AGENT OF A NONRESIDENT UNDER THIS SUBSECTION ONLY IF THE PARTY

$\frac{1}{2}$	SEEKING SERVICE CERTIFIES TO THE MOTOR VEHICLE ADMINISTRATION THE NONRESIDENT'S LAST KNOWN ADDRESS.
3 4 5	(3) THE MOTOR VEHICLE ADMINISTRATION MAY BE SERVED AS AGENT OF A RESIDENT UNDER THIS SUBSECTION ONLY IF THE PARTY SEEKING SERVICE CERTIFIES UNDER OATH TO THE MOTOR VEHICLE ADMINISTRATION:
6	(I) THE RESIDENT'S LAST KNOWN ADDRESS; AND
7 8 9	(II) THAT THE PARTY, AFTER EXERCISING DUE DILIGENCE, WAS UNABLE TO SERVE THE RESIDENT AT THE RESIDENT'S LAST KNOWN ADDRESS; AND
10 11 12	(III) THAT THE PARTY, AFTER EXERCISING DUE DILIGENCE, WAS UNABLE TO SERVE THE RESIDENT'S MOTOR VEHICLE INSURER, IF ANY, IN ACCORDANCE WITH § 6–314 OF THIS SUBTITLE.
13 14	(c) Service of process UNDER THIS SECTION is sufficient service on a nonresident OR RESIDENT driver if:
15 16 17 18	(1) Service is made by the personal delivery and leaving of a copy of the process, with [a certification of the last known address of the nonresident driver] THE APPLICABLE CERTIFICATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, with the Motor Vehicle Administration;
19 20	(2) A fee for service of process is paid to the Motor Vehicle Administration;
21 22 23	(3) The Motor Vehicle Administration sends a copy of the process by certified mail, return receipt requested, to the nonresident OR RESIDENT driver at the [nonresident] driver's last known address; and
24 25 26	(4) The Motor Vehicle Administration files an affidavit of compliance with the provisions of this section with the clerk of the court in which the action is pending.
27 28	(d) The Motor Vehicle Administration shall provide a copy of the affidavit of compliance to the party seeking service.

29 (e) The party seeking service shall send by certified mail, return receipt 30 requested, a copy of the affidavit of compliance to the motor vehicle insurer, **IF ANY**, of 31 the nonresident **OR RESIDENT** driver.

- 1 The Motor Vehicle Administration shall keep a record of all process (f) (1) 2 served under this section that shows the date and hour of service on the 3 Administration by the party seeking service. When the certified return receipt is returned to the Motor Vehicle 4 Administration, the Administration shall: 5 6 Deliver it to the party seeking service; and (i) 7 Keep a record of the date of its receipt and the date of its (ii) 8 delivery to the party seeking service. 9 The Motor Vehicle Administration is authorized to establish and collect a reasonable fee to recover the Administration's costs under this section. 10 The Motor Vehicle Administration shall report to the General Assembly 11 12 on or before January 1 of each year, in accordance with § 2-1246 of the State 13 Government Article, the following information for the preceding calendar year: 14 The total number of subpoenas, summonses, and other service of process issued in accordance with the provisions of this section; 15 16 number of instances in which the (2)The Motor Vehicle Administration failed to reach the individual being served and the reasons that those 17 18 attempts failed; 19 A breakdown of all direct and indirect costs incurred by the Motor (3)20 Vehicle Administration in carrying out the requirements of this section; and 21**(4)** The total fees collected by the Motor Vehicle Administration from 22persons requesting service of process under this section. 23 6-314. **(1)** 24(A) IN THIS SECTION THE FOLLOWING WORDS HAVE THE 25MEANINGS INDICATED. "Motor vehicle" has the meaning stated in § 11-135 of 26 **(2)** THE TRANSPORTATION ARTICLE. 2728 "RESIDENT" HAS THE MEANING STATED IN § 11-149 OF THE **(3)**
- 30 (B) BY PURCHASING MOTOR VEHICLE LIABILITY INSURANCE FROM A
 31 MOTOR VEHICLE INSURER, A RESIDENT APPOINTS THE MOTOR VEHICLE

TRANSPORTATION ARTICLE.

29

1	INSURER AS AGENT TO RECEIVE A SUBPOENA, A SUMMONS, OR OTHER PROCESS
2	THAT IS:
3	(1) ISSUED IN AN ACTION THAT IS RELATED TO AN ACCIDENT OR
4	COLLISION INVOLVING A MOTOR VEHICLE DRIVEN BY THE RESIDENT DRIVER
5	AND IN WHICH THE RESIDENT DRIVER IS NAMED AS A PARTY; AND
6	(2) DIRECTED TO THE RESIDENT DRIVER.
7	(C) A MOTOR VEHICLE INSURER MAY BE SERVED AS AGENT OF A
8	RESIDENT UNDER THIS SECTION ONLY IF THE PARTY SEEKING SERVICE
9	CERTIFIES UNDER OATH TO THE MOTOR VEHICLE INSURER:
10	(1) THE RESIDENT'S LAST KNOWN ADDRESS; AND
11	(2) THAT THE PARTY, AFTER EXERCISING DUE DILIGENCE, WAS
12	UNABLE TO SERVE THE RESIDENT AT THE RESIDENT'S LAST KNOWN ADDRESS.
10	(D) CEDITICE OF PROCEED IN SUPERICIPINE SERVICE ON A PROCEDENT
13	(D) SERVICE OF PROCESS IS SUFFICIENT SERVICE ON A RESIDENT
14	DRIVER UNDER THIS SECTION IF:
15	(1) SERVICE IS MADE BY THE PERSONAL DELIVERY AND LEAVING
16	OF A COPY OF THE PROCESS, WITH A CERTIFICATION OF THE LAST KNOWN
17	ADDRESS OF THE RESIDENT DRIVER, WITH THE MOTOR VEHICLE INSURER;
11	ADDRESS OF THE RESIDENT DRIVER, WITH THE MOTOR VEHICLE INSCRER,
18	(2) The fee for service of process is paid to the motor
19	VEHICLE LIABILITY INSURER;
	<u>,,, </u>
20	(3) THE MOTOR VEHICLE INSURER SENDS A COPY OF THE
21	PROCESS BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE RESIDENT
22	DRIVER AT THE RESIDENT DRIVER'S LAST KNOWN ADDRESS; AND
23	(4) THE MOTOR VEHICLE INSURER FILES AN AFFIDAVIT OF
24	COMPLIANCE WITH THE PROVISIONS OF THIS SECTION WITH THE CLERK OF THE
25	COURT IN WHICH THE ACTION IS PENDING.
26	(E) THE MOTOR VEHICLE INSURER SHALL PROVIDE A COPY OF THE
27	AFFIDAVIT OF COMPLIANCE TO THE PARTY SEEKING SERVICE.
28	(F) (1) THE MOTOR VEHICLE INSURER SHALL KEEP A RECORD OF
29	ALL PROCESS SERVED UNDER THIS SECTION THAT SHOWS THE DATE AND HOUR

OF SERVICE ON THE MOTOR VEHICLE INSURER BY THE PARTY SEEKING

30

31

SERVICE.

1	(2) When the certified return receipt is returned to
2	THE MOTOR VEHICLE INSURER, THE MOTOR VEHICLE INSURER SHALL:
3	(I) DELIVER IT TO THE PARTY SEEKING SERVICE; AND
4	(II) KEEP A RECORD OF THE DATE OF ITS RECEIPT AND THE
5	DATE OF ITS DELIVERY TO THE PARTY SEEKING SERVICE.
0	(a) The Monor vehicle included is Almitopized to Gold for A Fee
6 7	(G) THE MOTOR VEHICLE INSURER IS AUTHORIZED TO COLLECT A FEE TO RECOVER THE MOTOR VEHICLE INSURER'S COSTS UNDER THIS SECTION
8	THAT IS EQUIVALENT TO THE FEE CHARGED BY THE MOTOR VEHICLE
9	ADMINISTRATION UNDER § 6–313 OF THIS SUBTITLE.
10	Article – Transportation
11	12–104.
12	(f) In accordance with § 6–313 of the Courts Article and the Maryland Rules,
13	the Administration shall serve as the agent to receive a subpoena, a summons, or
14	other process for a nonresident driver OR A RESIDENT DRIVER named as a party in
15	an action brought in a court of this State.
16	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
17	construed to apply only prospectively and may not be applied or interpreted to have
18	any effect on or application to any cause of action arising before the effective date of
19	this Act.
20	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
$\frac{1}{21}$	October 1, 2011.
	Approved:
	Governor.
	President of the Senate.
	Speaker of the House of Delegates.