

**Department of Legislative Services**  
Maryland General Assembly  
2011 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 780

(Senators Ramirez and Muse)

Judicial Proceedings

Environmental Matters

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**Vehicle Laws - Abandoned Vehicles - Notice**

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This bill alters the definition of “abandoned vehicle” to include a motor vehicle, trailer, or semitrailer that has been reported stolen and has been taken into custody by a police department, thereby subjecting such vehicles to other provisions related to disposition of abandoned vehicles. The bill also changes from seven days to three days the period within which a police department with custody of an abandoned vehicle must send notice to the owner and any secured party. The bill requires this notice be transmitted by regular mail in addition to the currently required certified mail, and also by telephone to the owner of the vehicle only, if a phone number is available.

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**Fiscal Summary**

**State Effect:** General fund expenditures increase negligibly beginning in FY 2012 for the Department of State Police (DSP) to provide the additional forms of notice required by the bill; DSP operations may be more significantly affected by the shortened notice period but can likely be handled with existing budgeted resources. General fund revenues may decrease minimally to the extent that a greater number of recovered stolen vehicles are reclaimed by vehicle owners with fewer vehicles sold at public auction and resulting in a reimbursement of unpaid towing and storage costs.

**Local Effect:** Local law enforcement expenditures increase negligibly but operations are more significantly affected beginning in FY 2012 to provide additional notice within a shortened timeframe as required by the bill. Local revenues may decrease minimally to the extent that a greater number of recovered stolen vehicles are reclaimed by vehicle owners with fewer vehicles sold at public auction and resulting in a reimbursement of unpaid towing and storage costs.

**Small Business Effect:** Minimal.

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## Analysis

**Current Law:** The anti-theft provisions of the Maryland Vehicle Law require that a police officer immediately report reliable information that a vehicle has been stolen to the Motor Vehicle Administration (MVA) and DSP, unless the police officer has received reliable information of the recovery of the vehicle. A police officer must also immediately report reliable information to MVA and DSP regarding the recovery of a vehicle that was previously reported stolen.

MVA must maintain and index cumulative public records of stolen vehicles reported to it. MVA may suspend the registration of a vehicle whose theft is reported to it, and until MVA learns of the recovery of the vehicle or that the report of its theft was erroneous, it may not issue a certificate of title for the vehicle.

An abandoned vehicle means a motor vehicle, trailer, or semitrailer that:

- is inoperable and left unattended 48 hours on public property;
- remains illegally on public property for 48 hours;
- is on private property without consent;
- has remained in a garage for more than 10 days after the garage keeper has given the vehicle owner notice to remove the vehicle, or beyond the time when, by contract, the vehicle was to remain in the garage;
- is left for more than 10 days in a garage by someone other than the registered owner or left by a person only authorized to have possession of the vehicle under a contract;
- has remained on public property for 48 hours and has invalid or incorrect registration plates;
- has been left unattended for 24 hours on a controlled access highway;
- has been left unattended on a highway and does not display appropriate warning devices; or
- is not reclaimed from impoundment as provided by law.

Generally, the police may take an abandoned vehicle into custody and impound the vehicle. If the vehicle remains unclaimed after three weeks, and following specified notice procedures, the vehicle may be sold at public auction. The applicable notice procedures include sending notice to the owner and each secured party by certified mail, return receipt requested, as soon as reasonably possible and within seven days after taking the vehicle into custody. Among other information, the notice must provide information of the right to reclaim the vehicle within three weeks of the notice, after payment of all towing, preservation, and storage charges resulting from taking or placing the vehicle in custody; in Baltimore City and Montgomery County, the right to reclaim the vehicle expires after 11 working days. In addition, the notice must state that the failure to reclaim the vehicle means a waiver of the rights, title, and interest in the

vehicle, and consent to the sale of the vehicle at public auction. In Baltimore City and Montgomery and Prince George's counties, and municipalities within Montgomery and Prince George's counties, additional provisions apply regarding the continuing liability of vehicle owners for costs of impoundment, storage, and sale of the vehicle.

If an abandoned vehicle is not reclaimed, the police must sell the vehicle at public auction and use the proceeds for reimbursement of the costs of towing, preserving, and storing the vehicle and the expenses of the auction, including all notice and publication costs. Any remaining proceeds must be held for 90 days for the owner of the vehicle and any entitled secured party, after which the remaining proceeds revert to the treasury of the county or municipality in which the sale was made.

**Background:** DSP and other law enforcement agencies in the State are heavily involved in the process of disposing of abandoned vehicles. In addition to environmental and aesthetic issues, a lack of control over the process of vehicle disposal may also lead to theft and other crimes. Because of this, DSP maintains a unit actively engaged in overseeing the lawful transfer of abandoned vehicles and proper disposal by vehicle scrappers or recyclers. The capabilities of this unit have been significantly enhanced recently due to a new statewide computer system established pursuant to Chapters 382 and 383 of 2008 to account for transactions in the secondary precious metals market, which includes sale of vehicles for salvage or scrap.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Allegany, Harford, Montgomery, Prince George's, and Talbot counties; cities of Baltimore and Laurel; Governor's Office of Crime Control and Prevention; Judiciary (Administrative Office of the Courts); Department of State Police; Maryland Department of Transportation; Department of Legislative Services

**Fiscal Note History:** First Reader - March 9, 2011  
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