

HOUSE BILL 987

R7

8lr2327

By: **Delegates Brooks, Atterbeary, Aumann, D. Barnes, Branch, Bromwell, Ebersole, Fennell, Glenn, Hettleman, C. Howard, Jackson, Jalisi, Jones, Kramer, Lafferty, Lam, J. Lewis, Lierman, Lisanti, Morhaim, Patterson, Pena-Melnyk, Queen, Sample-Hughes, Sanchez, Sydnor, Turner, Valderrama, Wilkins, and P. Young**

Introduced and read first time: February 5, 2018

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Security Lapses – Notice to Maryland Automobile Insurance**
3 **Fund**

4 FOR the purpose of requiring the Motor Vehicle Administration to notify the Executive
5 Director of the Maryland Automobile Insurance Fund of the final termination or
6 other lapse of security for a vehicle; requiring the Administration to include in the
7 notice the name and available contact information for the owner of the vehicle;
8 making a stylistic change; and generally relating to notice to the Maryland
9 Automobile Insurance Fund of final vehicle security terminations or other lapses.

10 BY repealing and reenacting, without amendments,
11 Article – Transportation
12 Section 17–106(a), (b), and (d)
13 Annotated Code of Maryland
14 (2012 Replacement Volume and 2017 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Transportation
17 Section 17–106(c)
18 Annotated Code of Maryland
19 (2012 Replacement Volume and 2017 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
21 That the Laws of Maryland read as follows:

22 **Article – Transportation**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 17-106.

2 (a) If the required security for any vehicle lapses at any time, the registration of
3 that vehicle:

4 (1) Is suspended automatically as of the date of the lapse effective not later
5 than 60 days after notification to the Administration that the lapse has occurred; and

6 (2) Remains suspended until:

7 (i) The required security is replaced and the vehicle owner submits
8 evidence of replaced security on a form as prescribed by the Administration and certified
9 by an insurer or insurance producer; and

10 (ii) Any uninsured motorist penalty fee assessed is paid to the
11 Administration.

12 (b) (1) Except as provided in paragraph (2) of this subsection, each insurer or
13 other provider of required security immediately shall notify the Administration
14 electronically of those terminations or other lapses that are final.

15 (2) Each insurer or other provider of required security for a vehicle
16 registered as a Class B (for hire) vehicle under Title 13 of this article shall notify the
17 Administration within 45 days of a termination or other lapse that is final and occurs any
18 time after the required security is issued or provided.

19 (c) On receipt of a notice under subsection (b) of this section, the Administration
20 shall [make]:

21 (1) **MAKE** a reasonable effort to notify the owner of the vehicle that [his]
22 **THE OWNER'S** registration has been suspended; **AND**

23 (2) (i) **NOTIFY THE EXECUTIVE DIRECTOR OF THE MARYLAND**
24 **AUTOMOBILE INSURANCE FUND OF THE FINAL TERMINATION OR OTHER LAPSE OF**
25 **SECURITY; AND**

26 (ii) **INCLUDE IN THE NOTICE THE NAME AND AVAILABLE**
27 **CONTACT INFORMATION FOR THE OWNER OF THE VEHICLE.**

28 (d) (1) Within 48 hours after an owner is notified by the Administration of the
29 suspension of registration, the owner shall surrender all evidences of that registration to
30 the Administration.

31 (2) If the owner fails to surrender the evidences of registration within the
32 48-hour period, the Administration:

1 (i) Shall attempt to recover from the owner the evidences of
2 registration; and

3 (ii) May suspend his license to drive until he returns to the Motor
4 Vehicle Administration the evidences of registration.

5 (3) The Administration may enter into contracts with private parties to
6 procure the services of independent agents to assist in the recovery of the evidences of
7 registration as authorized in paragraph (2) of this subsection.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2018.