

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 Enrolled - Revised

Senate Bill 707

(Senator Ready)

Judicial Proceedings

Environment and Transportation

Motor Vehicles - Temporary In-Transit Registration

This bill authorizes the Motor Vehicle Administration (MVA) to issue (upon application and payment of a required fee) a temporary in-transit registration to allow a nonresident owner of a vehicle to operate the vehicle on a highway in the State only for the purpose of transporting the vehicle to a jurisdiction outside the State in which the vehicle is to be titled and registered. MVA must adopt regulations to carry out the bill’s requirements. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) revenues may increase minimally to the extent that the new temporary registration option established by the bill is utilized. TTF expenditures increase by \$54,000 in FY 2021 only for implementation.

(in dollars)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	54,000	0	0	0	0
Net Effect	(\$54,000)	\$0	\$0	\$0	\$0

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

Local Effect: The bill is not anticipated to materially affect local finances or operations.

Small Business Effect: Minimal.

Analysis

Bill Summary: An application for a temporary in-transit registration may be made only (1) by a nonresident owner of a vehicle and (2) on the form required by MVA. MVA may

determine the period for which the registration is issued and may establish a fee for such a registration.

Only MVA or a licensed title service agent may issue the registration. In addition, the registration may be issued only after the vehicle owner has furnished proof of identity, vehicle ownership, and insurance. MVA or a title service agent may not issue more than one temporary in-transit registration for each vehicle sales transaction.

Current Law/Background:

Temporary Registration Plates, Generally

If an application for registration and certificate of title of a vehicle is accompanied by the required fees, MVA may issue a temporary registration to permit the vehicle to be driven pending action on the application by MVA. A temporary registration may be issued for a period of up to 60 days. The fee for a temporary registration plate is \$20. However, these provisions only apply to sales between persons who are not licensed dealers.

Temporary Dealer Registration Plates

MVA is authorized to furnish temporary registration plates to any licensed vehicle dealer who (1) applies for at least five plates on the required form and (2) submits the required \$15 fee. A licensed dealer may issue one temporary registration plate for a vehicle to the person who buys a vehicle from the dealer, *whether or not the vehicle is to be registered in Maryland.*

Title Service Agents

State law defines a “title service agent” as any person in the business of transporting to and from MVA certificates of title, registrations, driver’s licenses, certified copies of records, and other related documents. MVA oversees the licensing process for title service agents.

MVA advised for previous legislation that title service agents in the State provide registration services on its behalf. These agents offer titling and registration services in exchange for a higher fee than MVA would charge. Even so, given their prevalence, use of a title service agent is often a convenient alternative to making an in-person MVA transaction.

State Expenditures: MVA advises that it expects to incur about \$54,000 in additional costs in fiscal 2021 to create the temporary in-transit registration product and to make system modifications necessary to support the new in-transit registration.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of State Police; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2019
an/ljm Third Reader - March 27, 2019
Revised - Amendment(s) - March 27, 2019
Revised - Updated Information - March 28, 2019
Enrolled - May 6, 2019
Revised - Amendment(s) - May 6, 2019

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