

# SENATE BILL 681

R6

11r2928  
CF 11r2505

---

By: **Senator Ready**

Introduced and read first time: February 3, 2021

Assigned to: Judicial Proceedings

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicles – Inspection Certificates – Exception**

3 FOR the purpose of exempting the transfer of a used vehicle from a business entity to an  
4 individual who wholly or partly owns the business entity from the requirement to  
5 obtain a motor vehicle safety inspection certificate; and generally relating to the  
6 inspection and transfer of used vehicles.

7 BY repealing and reenacting, with amendments,

8 Article – Transportation

9 Section 23–106(a)(8) and (9)

10 Annotated Code of Maryland

11 (2020 Replacement Volume)

12 BY adding to

13 Article – Transportation

14 Section 23–106(a)(10)

15 Annotated Code of Maryland

16 (2020 Replacement Volume)

17 BY repealing and reenacting, without amendments,

18 Article – Transportation

19 Section 23–106(b) and 23–107(a)(1)

20 Annotated Code of Maryland

21 (2020 Replacement Volume)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

23 That the Laws of Maryland read as follows:

24 **Article – Transportation**

25 23–106.

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) This section does not apply to:

2 (8) Any transfer of an off-highway recreational vehicle; [or]

3 (9) Any transfer of a leased vehicle to the lessee at the end of the lease  
4 term; OR

5 **(10) ANY TRANSFER OF A USED VEHICLE FROM A BUSINESS ENTITY TO**  
6 **AN INDIVIDUAL WHO WHOLLY OR PARTLY OWNS THE BUSINESS ENTITY.**

7 (b) (1) Except as provided in paragraphs (4) and (5) of this subsection, if any  
8 licensed dealer that also is an inspection station transfers any used vehicle, it shall:

9 (i) Prepare an inspection certificate; or

10 (ii) Have an inspection certificate prepared by another inspection  
11 station.

12 (2) Except as provided in paragraphs (4) and (5) of this subsection, if any  
13 other person transfers a used vehicle, the person shall obtain an inspection certificate from  
14 an inspection station.

15 (3) If a used vehicle is transferred other than by voluntary transfer or is  
16 transferred by a political subdivision of the State after that subdivision obtains the vehicle  
17 by proceedings pursuant to Title 12 of the Criminal Procedure Article, the transferee shall  
18 obtain the inspection certificate from an authorized inspection station.

19 (4) In the case of a transfer of any used vehicle registered, or to be  
20 registered, as a Class E (truck) exceeding three-fourths ton manufacturer's rated capacity,  
21 Class F (tractor), Class G (freight trailer or semitrailer), or Class G (dump service  
22 semitrailer) vehicle, the transferor or the transferee of the vehicle may obtain the required  
23 inspection certificate.

24 (5) In the case of a transfer of any used vehicle registered or to be  
25 registered, that is sold for dismantling or rebuilding purposes, the transferor or the  
26 transferee of the vehicle may obtain the required inspection certificate.

27 23-107.

28 (a) (1) Before the Administration titles and registers any used vehicle, except  
29 a Class L (historic) vehicle, it shall require a valid inspection certificate for the vehicle.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 October 1, 2021.