

Department of Legislative Services  
Maryland General Assembly  
2024 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

House Bill 332

(Delegate Addison, *et al.*)

Environment and Transportation

Judicial Proceedings

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Out-of-State Motor Vehicles - Improper Registration - Report

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This bill requires the Motor Vehicle Administration (MVA), in consultation with Baltimore City and other interested jurisdictions, to prepare a report, as specified, on motor vehicles owned by Maryland residents that are improperly registered in another state. MVA must submit a report of its findings and recommendations to the Governor and the General Assembly by December 1, 2024. **The bill takes effect June 1, 2024, and terminates June 30, 2025.**

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Fiscal Summary

**State Effect:** MVA can prepare and submit the report required by the bill with existing resources. Revenues are not affected.

**Local Effect:** Baltimore City and interested local governments can likely assist MVA with the report with existing resources. Revenues are not affected.

**Small Business Effect:** None.

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Analysis

**Bill Summary:** More specifically, the report on motor vehicles owned by Maryland residents that are improperly registered in another state must include:

- an analysis of the legal basis, both statutory and regulatory, that, among other things, enables or allows for titling and registration in another state;
- a listing of other states that allow this practice;

- an analysis of incentives that Maryland residents may have to do so;
- current statistics and recent trends on the number of motor vehicles owned by Maryland residents, in total and by county, that are improperly titled or registered in another state;
- an analysis of motor vehicle insurance issues, including the effect on driving and insurance rates in Maryland, as specified, and the effect of recent changes to Virginia laws;
- a description of (1) any recent and planned enforcement actions taken or to be taken (and whether effective) by MVA; (2) the number and nature of any misdemeanors charged for failure to obtain a Maryland motor vehicle title or registration initiated through an MVA investigation; and (3) the harms caused, including decreased State revenues associated with vehicle titling and registration as well as circumvention of the Vehicle Emissions Inspection Program; and
- a comparison with neighboring states of Maryland's laws, enforcement actions, and relevant fee structures.

By December 1, 2024, MVA must submit the report to the Governor and the General Assembly, of its findings on, and recommendations, for addressing issues related to motor vehicles improperly titled or registered to Maryland residents by other states, including recommendations for any additional penalties or other enforcement mechanisms; any possible interstate agreements, or any other proposals, as specified.

**Current Law:** Unless otherwise exempt, each motor vehicle, trailer, semitrailer, and pole trailer driven on a highway in the State must be registered with MVA. Registration is not required for a vehicle owned by a new resident of the State during the first 60 days of residency if the vehicle displays a valid out-of-state registration. If a motor vehicle required to be registered is not registered, a person may not park the unregistered motor vehicle on any public alley, street, or highway or on private property used by the public in general, including parking lots of shopping centers, condominiums, apartments, or town house developments. Also, a person may not drive or attempt to drive a vehicle on any highway in the State without a valid registration as required from MVA.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** SB 357 (Senator McCray) - Judicial Proceedings.

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

**Fiscal Note History:** First Reader - January 29, 2024  
md/ljm Third Reader - April 6, 2024  
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Analysis by: Joanne E. Tetlow

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510