
By: Delegate Barve

Introduced and read first time: January 29, 1996
Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws - Sales at Police Auction - Titling**

3 FOR the purpose of providing that the purchaser of a vehicle at a police auction may
4 obtain a certificate of title for the vehicle rather than a salvage certificate;
5 eliminating the application of certain provisions relating to salvage certificates in
6 situations where a certificate of title is sought; and generally relating to the titling of
7 vehicles obtained at a police auction.

8 BY repealing and reenacting, with amendments,
9 Article - Transportation
10 Section 25-207
11 Annotated Code of Maryland
12 (1992 Replacement Volume and 1995 Supplement)

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

15 **Article - Transportation**

16 25-207.

17 (a) Except as provided in subsection (e) of this section, if an abandoned vehicle is
18 not reclaimed as provided for in this subtitle, the police department shall sell the vehicle
19 at public auction.

20 (b) The buyer of the vehicle at auction:

21 (1) Takes [ownership of] TITLE TO the vehicle free and clear of any claim
22 of ownership or lien of any other person;

23 (2) Is entitled to a sales receipt, on a form that is approved by the
24 Administration, from the police department; AND

25 (3) Is entitled to obtain a [salvage certificate for the vehicle; and

26 (4) May obtain a] certificate of title [under § 13-507 of this article] FOR
27 THE VEHICLE.

28 (c) The sales receipt, on a form that is approved by the Administration, is
29 sufficient title for transferring the vehicle to an automotive dismantler and recycler or

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1 scrap processor for dismantling, destroying, or scrapping, in which case, a certificate of
2 title is not required.

3 (d) Except as otherwise provided in this subtitle:

4 (1) From the proceeds of the sale of an abandoned vehicle, the police
5 department shall reimburse itself for the costs of towing, preserving, and storing the
6 vehicle and the expenses of the auction, including all notice and publication costs
7 incurred under this subtitle; and

8 (2) Any remaining proceeds of the sale shall be held for 90 days for the
9 owner of the vehicle and any entitled secured party, after which the remaining proceeds
10 revert to:

11 (i) The treasury of the county in which the sale was made;or

12 (ii) In the case of a municipality that conducts the sale,the treasury of
13 the municipality.

14 (e) (1) After satisfying the requirements for obtaining a certificate of title for an
15 abandoned vehicle under § 25-207.1 of this subtitle, a police department may retain and
16 use the vehicle for public purposes without any further notice or consent of the owner
17 other than a lessor as provided in paragraph (2) of this subsection.

18 (2) (i) If there is a secured party with an interest in the vehicle as shown
19 on the records of the Administration, the police department may not retain the vehicle
20 for public purposes without the written consent of the secured party.

21 (ii) If the vehicle is owned by a lessor under a lease notintended as
22 security, the police department may not retain the vehicle for public purposes without the
23 written consent of the lessor.

24 (f) A vehicle retained for public purposes under subsection (e) of this section:

25 (1) May be dismantled or disassembled for the purpose of using its
26 component parts; and

27 (2) When no longer usable for public purposes, may at the discretion of the
28 police department, without further notice, be sold at public auction asprovided in this
29 subtitle or transferred by the police department to a scrap processor licensed under §
30 15-502 of this article.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 October 1, 1996.