

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 547 (Senator Sfikas)

Finance

Referred to Commerce and Government Matters

**Vehicle Laws - Recovery of Evidences of Registration on Lapse of
Required Security - Contracts With Independent Agents**

This enrolled bill authorizes the Motor Vehicle Administration (MVA) to enter into contracts to assist in the recovery of the evidences of registration for uninsured vehicles. The MVA is required to report on the status of the use of independent agents to assist in the recovery of evidences of registration to the Senate Finance Committee and the House Commerce and Government Matters Committee by July 1, 1997.

Fiscal Summary

State Effect: Potential indeterminate increase in special fund expenditures. No effect on revenues.

Local Effect: None.

Fiscal Analysis

State Expenditures: If the Motor Vehicle Administration hires private contractors to recover evidences of registration, expenditures could increase for training, licensing, oversight, control, and auditing the privatized activity. Such costs cannot be reliably estimated at this time.

For informational purposes, the Department of Fiscal Services advises that the MVA discontinued its program for recovering evidences of registration as a cost containment measure in October 1995. The MVA's fiscal 1997 budget is reduced by an estimated 33 positions and \$742,500 in recognition of the abolition of this program.

Information Source(s): Department of Transportation (Motor Vehicle Administration),
Department of Fiscal Services

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ncs Revised - Senate Third Reader - March 20, 1996
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