# **Department of Fiscal Services**

Maryland General Assembly

# FISCAL NOTE Revised

House Bill 1398 (Delegate Curran) Commerce and Government Matters

Referred to Finance

### 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 bill requires the MVA to report to the Senate Finance Committee and the House Commerce and Government Matters Committee on the status of the use of independent agents to assist in the recovery of evidences of registration 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

Fiscal Note History: First Reader - March 11, 1996

ncs Revised - Enrolled Bill - June 18, 1996

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