
By: Delegates DeCarlo and Holt

Introduced and read first time: February 21, 1997

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Drivers' Schools - Unemployment Insurance Wage Reports - Additional Reports to Motor**
3 **Vehicle Administration**

4 FOR the purpose of requiring each drivers' school to submit a copy of the school's
5 quarterly report of wage information filed under the Labor and Employment Article
6 to the Motor Vehicle Administration; requiring the Motor Vehicle Administration
7 to review each school's quarterly report for certain discrepancies; and providing for
8 the suspension of a drivers' school's license under certain circumstances.

9 BY adding to

10 Article - Transportation
11 Section 15-711
12 Annotated Code of Maryland
13 (1992 Replacement Volume and 1996 Supplement)

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

16 **Article - Transportation**

17 15-711.

18 (A) TO ENSURE COMPLIANCE WITH STATE AND FEDERAL TAX LAWS, A
19 DRIVERS' SCHOOL SHALL SUBMIT TO THE MOTOR VEHICLE ADMINISTRATION A
20 CERTIFIED COPY OF THE SCHOOL'S QUARTERLY WAGE REPORT, FILED UNDER §
21 8-626 OF THE LABOR AND EMPLOYMENT ARTICLE.

22 (B) THE MOTOR VEHICLE ADMINISTRATION SHALL REVIEW EACH SCHOOL'S
23 QUARTERLY WAGE REPORT TO ENSURE THAT THE SCHOOL HAS WITHHELD THE
24 PROPER TAXES FOR EACH LICENSED INSTRUCTOR ON RECORD WITH THE
25 ADMINISTRATION EMPLOYED BY THE SCHOOL.

26 (C) IF THE MOTOR VEHICLE ADMINISTRATION FINDS ANY DISCREPANCY
27 BETWEEN A SCHOOL'S LIST OF LICENSED INSTRUCTORS ON RECORD WITH THE
28 ADMINISTRATION AND THE LIST OF INSTRUCTORS IN THE SCHOOL'S QUARTERLY
29 REPORT FOR WHOM TAXES HAVE BEEN WITHHELD:

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1 (1) THE SCHOOL SHALL BE GIVEN THE OPPORTUNITY TO ACCOUNT FOR
2 THE DISCREPANCY; AND

3 (2) FAILURE TO ACCOUNT FOR THE DISCREPANCY SHALL:

4 (I) BE DEEMED THE COMMISSION OF A FRAUD IN CONNECTION
5 WITH THE BUSINESS CONDUCTED UNDER THE LICENSE UNDER § 15-710(A)(4) OF THIS
6 SUBTITLE; AND

7 (II) RESULT IN SUSPENSION OF THE SCHOOL'S LICENSE BY THE
8 ADMINISTRATION.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 1997.