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By: **Delegate Minnick**

Introduced and read first time: February 9, 1998

Assigned to: Commerce and Government Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws - Sale of Used Vehicles - Inspections**

3 FOR the purpose of exempting the transfer of certain used vehicles from certain  
4 inspection requirements; altering inspection requirements governing the  
5 transfer of used vehicles by certain persons who offer used vehicles for sale;  
6 providing for issuance of a proof of inspection certificate under certain  
7 circumstances and allowing certain persons to offer a used vehicle for sale with  
8 a proof of inspection certificate; requiring proof of ownership as part of an  
9 inspection process; establishing a penalty relating to the transfer of used  
10 vehicles and inspection requirements; requiring the transferee of a used vehicle  
11 to obtain an inspection certificate under certain circumstances; requiring the  
12 Automotive Safety Enforcement Division of the Department of State Police to  
13 issue proof of inspection certificate forms; prohibiting an inspection station or its  
14 employees from issuing a proof of inspection certificate without having  
15 conducted an inspection; defining a certain term; making stylistic changes; and  
16 generally relating to the transfer of used vehicles and vehicle inspection  
17 requirements.

18 BY repealing and reenacting, with amendments,  
19 Article - Transportation  
20 Section 23-106, 23-108, and 23-109(a)  
21 Annotated Code of Maryland  
22 (1992 Replacement Volume and 1997 Supplement)

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

25 **Article - Transportation**

26 23-106.

27 (a) This section does not apply to:

28 (1) Any transfer of a used vehicle to any licensed dealer or to any foreign  
29 dealer;

- 1           (2)     Any transfer between:
- 2                   (i)     Spouses;
- 3                   (ii)    A parent and child; or
- 4                   (iii)   Co-owners of the vehicle to be transferred when a co-owner's
- 5 name is being removed from the title;
- 6           (3)     Any transfer of a used vehicle that is not to be both titled and
- 7 registered in this State;
- 8           (4)     Any transfer of a used vehicle among any agencies of the State; [or]
- 9           (5)     Any transfer of a used vehicle as described in § 13-503.2 of this
- 10 article; OR
- 11           (6)     ANY TRANSFER OF A HISTORIC MOTOR VEHICLE AS DEFINED IN §
- 12 13-936(A) OF THIS ARTICLE.
- 13   (b)    [(1)]    Except as provided in [paragraph (4)] SUBSECTION (E) of this
- 14 [subsection] SECTION, if any licensed dealer [that also is an inspection station]
- 15 transfers any used vehicle, [it] THE LICENSED DEALER shall:
- 16                   [(i)]   (1)    [Prepare] IF IT ALSO IS AN INSPECTION STATION,
- 17 PREPARE and attach an inspection certificate to a window of the vehicle; or
- 18                   [(ii)]   (2)    Have an inspection certificate prepared and attached to a
- 19 window of the vehicle by another inspection station.
- 20   (C)    (1)     IN THIS SUBSECTION, "PROOF OF INSPECTION CERTIFICATE" MEANS
- 21 A CERTIFICATE THAT INDICATES THAT A VEHICLE FAILED AN INSPECTION AND
- 22 NEEDS DESIGNATED REPAIRS IN ORDER TO PASS INSPECTION.
- 23           (2)     Except as provided in [paragraphs (4) and (5)] SUBSECTIONS (E), (F),
- 24 AND (G) of this [subsection] SECTION, [if] BEFORE any [other] person NOT SUBJECT
- 25 TO SUBSECTION (B) OF THIS SECTION [transfers] OFFERS a used vehicle FOR SALE,
- 26 the person shall obtain an inspection certificate OR A PROOF OF INSPECTION
- 27 CERTIFICATE from an inspection station. The inspection certificate OR PROOF OF
- 28 INSPECTION CERTIFICATE shall be issued without charge and attached to a window
- 29 of the vehicle.
- 30           (3)     BEFORE AN INSPECTION CERTIFICATE OR PROOF OF INSPECTION
- 31 CERTIFICATE MAY BE ISSUED, THE PERSON SEEKING TO OBTAIN THE INSPECTION
- 32 CERTIFICATE OR PROOF OF INSPECTION CERTIFICATE SHALL PROVIDE TO AN
- 33 INSPECTION STATION PROOF OF OWNERSHIP OF THE USED VEHICLE IN THE FORM
- 34 OF A CERTIFICATE OF TITLE OR REGISTRATION CARD.
- 35           (4)     (I)     ANY PERSON WHO IS CONVICTED OF A VIOLATION OF
- 36 PARAGRAPH (2) OF THIS SUBSECTION IS SUBJECT TO A FINE NOT EXCEEDING \$250.

1 (II) THE OFFERING FOR SALE OF EACH USED VEHICLE WITHOUT  
2 AN INSPECTION CERTIFICATE OR PROOF OF INSPECTION CERTIFICATE IS A  
3 SEPARATE OFFENSE UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

4 [(3)] (D) If a used vehicle is transferred other than by voluntary transfer  
5 or is transferred by a political subdivision of the State after that subdivision obtains  
6 the vehicle by proceedings pursuant to Article 27, § 297 of the Code, the transferee  
7 shall obtain the inspection certificate from an authorized inspection station. The  
8 inspection certificate shall be issued without charge and attached to a window of the  
9 vehicle.

10 [(4)] (E) In the case of a transfer of any used vehicle registered, or to be  
11 registered, as a Class E (truck) exceeding three-fourths ton manufacturer's rated  
12 capacity, Class F (tractor), Class G (freight trailer or semitrailer), or Class G (dump  
13 service semitrailer) vehicle, the transferor or the transferee of the vehicle may obtain  
14 the required inspection certificate.

15 (F) IN THE CASE OF A TRANSFER OF ANY USED VEHICLE THAT WAS  
16 REPOSSESSED BY A LIENHOLDER, THE TRANSFEREE OF THE VEHICLE SHALL OBTAIN  
17 THE REQUIRED INSPECTION CERTIFICATE.

18 [(5)] (G) In the case of a transfer of any used vehicle registered or to be  
19 registered, that is sold for dismantling or rebuilding purposes, the transferor or the  
20 transferee of the vehicle may obtain the required inspection certificate.

21 [(6)] (H) On applying for a certificate of title of the vehicle, the transferee  
22 shall remove the inspection certificate from the vehicle and present it to the  
23 Administration.

24 23-108.

25 The Division shall prepare inspection certificate AND PROOF OF INSPECTION  
26 CERTIFICATE forms and provide them without charge to inspection stations. The  
27 forms shall be serially numbered and shall require the information that the  
28 Administration and the Division determine.

29 23-109.

30 (a) An inspection station or any of its employees may not issue an inspection  
31 certificate OR A PROOF OF INSPECTION CERTIFICATE for a vehicle without having  
32 inspected its equipment.

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
34 October 1, 1998.