

HOUSE BILL 745

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R6
HB 1280/94 - CGM

1998 Regular Session
8lr2486
CF 8lr2307

By: **Delegates DeCarlo, Holt, and Weir**
Introduced and read first time: February 11, 1998
Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of exempting the transfer of certain used vehicles from certain
4 inspection requirements; requiring the transferee of a used vehicle that was
5 repossessed by a lienholder to obtain the required inspection certificate; altering
6 certain inspection requirements imposed on certain persons who offer for sale
7 used vehicles; permitting certain persons to obtain a certain proof of inspection
8 certificate before offering for sale a used vehicle; requiring a person to provide
9 certain proof of ownership of a used vehicle under certain circumstances;
10 imposing a certain penalty for certain violations of this Act; requiring the
11 Automotive Safety Enforcement Division of the Department of State Police to
12 prepare and distribute a proof of inspection certificate for a vehicle under
13 certain circumstances; defining a certain term; making stylistic changes; and
14 generally relating to inspections in the offering for sale of used vehicles.

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

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

22 **Article - Transportation**

23 23-106.

24 (a) This section does not apply to:

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

27 (2) Any transfer between:

28 (i) Spouses;

- 1 (ii) A parent and child; or
- 2 (iii) Co-owners of the vehicle to be transferred when a co-owner's
3 name is being removed from the title;
- 4 (3) Any transfer of a used vehicle that is not to be both titled and
5 registered in this State;
- 6 (4) Any transfer of a used vehicle among any agencies of the State; [or]
- 7 (5) Any transfer of a used vehicle as described in § 13-503.2 of this
8 article; OR
- 9 (6) ANY TRANSFER OF A HISTORIC MOTOR VEHICLE AS DEFINED IN §
10 13-936(A) OF THIS ARTICLE.

11 (b) [(1)] Except as provided in [paragraph (4)] SUBSECTION (E) of this
12 [subsection] SECTION, if any licensed dealer [that also is an inspection station]
13 transfers any used vehicle, [it] THE LICENSED DEALER shall:

14 [(i)] (1) [Prepare] IF IT IS ALSO AN INSPECTION STATION,
15 PREPARE and attach an inspection certificate to a window of the vehicle; or

16 [(ii)] (2) Have an inspection certificate prepared and attached to a
17 window of the vehicle by [another] AN inspection station.

18 (C) (1) IN THIS SUBSECTION, "PROOF OF INSPECTION CERTIFICATE" MEANS
19 A CERTIFICATE THAT INDICATES THAT A VEHICLE FAILED AN INSPECTION AND
20 NEEDS SPECIFIED REPAIRS IN ORDER TO PASS INSPECTION.

21 (2) Except as provided in [paragraphs (4) and (5)] SUBSECTIONS (E), (F),
22 (G), AND (H) of this [subsection] SECTION, [if] BEFORE any [other] person
23 [transfers] NOT SUBJECT TO THE PROVISIONS OF SUBSECTION (B) OF THIS SECTION
24 OFFERS FOR SALE a used vehicle, the person shall obtain an inspection certificate OR
25 PROOF OF INSPECTION CERTIFICATE from an inspection station. The inspection
26 certificate OR PROOF OF INSPECTION CERTIFICATE shall be issued without charge
27 and attached to a window of the vehicle.

28 (3) BEFORE AN INSPECTION CERTIFICATE OR PROOF OF INSPECTION
29 CERTIFICATE MAY BE ISSUED, THE PERSON SEEKING TO OBTAIN THE INSPECTION
30 CERTIFICATE OR PROOF OF INSPECTION CERTIFICATE SHALL PROVIDE TO AN
31 INSPECTION STATION PROOF OF OWNERSHIP OF THE USED VEHICLE IN THE FORM
32 OF A CERTIFICATE OF TITLE OR A CURRENT REGISTRATION CARD.

33 (4) (I) ANY PERSON WHO IS CONVICTED OF A VIOLATION OF
34 PARAGRAPH (2) OF THIS SUBSECTION SHALL BE SUBJECT TO A FINE OF NOT MORE
35 THAN \$250.

1 (II) THE OFFERING FOR SALE OF EACH USED VEHICLE WITHOUT
2 AN INSPECTION CERTIFICATE OR PROOF OF INSPECTION CERTIFICATE SHALL BE A
3 SEPARATE OFFENSE OF THIS SUBSECTION.

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) UNLESS EXEMPTED UNDER SUBSECTION (A) OF THIS SECTION, IN THE
16 CASE OF A TRANSFER OF ANY USED VEHICLE THAT WAS REPOSSESSED BY A
17 LIENHOLDER, THE TRANSFEREE OF THE VEHICLE SHALL OBTAIN THE REQUIRED
18 INSPECTION CERTIFICATE.

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

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

25 23-108.

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

30 23-109.

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

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