

SENATE BILL 184

Unofficial Copy  
R4

1998 Regular Session  
(8lr1079)

**ENROLLED BILL**

-- *Judicial Proceedings/Commerce and Government Matters* --

Introduced by **Senators Green, Currie, Colburn, Ferguson, Roesser, Dorman,  
Hafer, Derr, Stoltzfus, Craig, Baker, Forehand, Ruben, Astle, Haines,  
Madden, Munson, Pinsky, and Lawlah**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Vehicle Laws - Improperly Registered Motor Vehicles - Registration**  
3 **Enforcement Program**

4 FOR the purpose of establishing a grant program under which certain law  
5 enforcement agencies would target motor vehicles improperly registered  
6 out-of-state; requiring the Secretary of State Police to administer the program;  
7 establishing a special, nonlapsing fund known as the Motor Vehicle Registration  
8 Enforcement Fund; dedicating certain revenues to the fund and providing for  
9 the fund's administration; requiring that a law enforcement agency that is  
10 awarded a grant from the fund comply with certain requirements; defining  
11 certain terms; providing for the termination of this Act; providing for a certain  
12 contingency; declaring the intent of the General Assembly; and generally  
13 relating to the establishment of a program to target improperly registered motor  
14 vehicles in the State.

15 BY repealing and reenacting, without amendments,

1 Article 88B - Department of State Police  
2 Section 2(3), (6), and (10)  
3 Annotated Code of Maryland  
4 (1995 Replacement Volume and 1997 Supplement)

5 BY adding to  
6 Article 88B - Department of State Police  
7 Section 76 through 80, inclusive, to be under the heading designation "Motor  
8 Vehicle Registration Enforcement Fund"  
9 Annotated Code of Maryland  
10 (1995 Replacement Volume and 1997 Supplement)

11 ~~BY adding to~~  
12 ~~Article - Transportation~~  
13 ~~Section 12-104.2~~  
14 ~~Annotated Code of Maryland~~  
15 ~~(1995 Replacement Volume and 1997 Supplement)~~

16 BY repealing and reenacting, with amendments,  
17 Article - Transportation  
18 Section ~~12-118(b)~~ and 17-106(e)  
19 Annotated Code of Maryland  
20 (1992 Replacement Volume and 1997 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article - Transportation  
23 Section 17-106(e)  
24 Annotated Code of Maryland  
25 (1992 Replacement Volume and 1997 Supplement)  
26 (As enacted by Chapter 459 of the Acts of the General Assembly of 1994, as  
27 amended by Chapter 195 of the Acts of the General Assembly of 1996)

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

30 **Article 88B - Department of State Police**

31 2.

32 The following words shall have the meanings contained in this section unless  
33 the context manifestly indicates a different meaning:

34 (3) "Department" means the Department of State Police.

1 (6) "Motor vehicle" means a motor vehicle as defined in the Maryland  
2 Vehicle Law.

3 (10) "Secretary" means the Secretary of the State Police.

4 MOTOR VEHICLE REGISTRATION ENFORCEMENT FUND  
5 76.

6 (A) IN THIS SUBHEADING THE FOLLOWING WORDS HAVE THE MEANINGS  
7 INDICATED.

8 (B) "FUND" MEANS THE MOTOR VEHICLE REGISTRATION ENFORCEMENT  
9 FUND.

10 (C) "IMPROPERLY REGISTERED MOTOR VEHICLE" ~~HAS THE MEANING STATED~~  
11 ~~IN § 12-104.2 OF THE TRANSPORTATION ARTICLE~~ MEANS A MOTOR VEHICLE THAT:

12 (1) IS OWNED BY OR IN THE CUSTODY OF A PERSON WHO RESIDES IN  
13 THE STATE;

14 (2) IS REGISTERED IN ANOTHER STATE; AND

15 (3) DOES NOT QUALIFY FOR AN EXEMPTION FROM THE REGISTRATION  
16 REQUIREMENTS UNDER § 13-402 OR § 13-402.1 OF THE TRANSPORTATION ARTICLE.

17 (D) (1) "LAW ENFORCEMENT AGENCY" MEANS THE DEPARTMENT OR A  
18 COUNTY OR MUNICIPAL POLICE DEPARTMENT.

19 (2) "LAW ENFORCEMENT AGENCY" INCLUDES A SHERIFF'S  
20 DEPARTMENT IN THOSE COUNTIES WHERE THE SHERIFF'S DEPARTMENT IS THE  
21 PRIMARY LOCAL LAW ENFORCEMENT AGENCY.

22 77.

23 (A) THERE IS A MOTOR VEHICLE REGISTRATION ENFORCEMENT FUND.

24 (B) THE FUND IS A SPECIAL NONLAPSING FUND THAT IS ADMINISTERED BY  
25 THE SECRETARY AND IS INTENDED TO ASSIST LAW ENFORCEMENT AGENCIES IN  
26 ENFORCING THE LAWS OF THE STATE RELATING TO IMPROPERLY REGISTERED  
27 MOTOR VEHICLES.

28 (C) THE FUND CONSISTS OF:

29 (1) ~~MONEY CREDITED TO THE FUND UNDER § 12-118(B) OF THE~~  
30 ~~TRANSPORTATION ARTICLE;~~

31 (2) MONEY CREDITED TO THE FUND UNDER § 17-106(E) OF THE  
32 TRANSPORTATION ARTICLE;

1           ~~(3)~~    (2)     EARNINGS FROM THE INVESTMENT OF MONEY OF THE FUND;  
2 AND

3           ~~(4)~~    (3)     ANY OTHER MONEY ACCEPTED FOR THE BENEFIT OF THE  
4 FUND FROM ANY GOVERNMENTAL OR PRIVATE SOURCE.

5       (D)    (1)     THE STATE TREASURER SHALL HOLD THE FUND AND SHALL INVEST  
6 THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE  
7 INVESTED AND THE STATE COMPTROLLER SHALL ACCOUNT FOR THE FUND IN  
8 CONJUNCTION WITH THE DEPARTMENT.

9           (2)     THE DEPARTMENT SHALL RECEIVE 10% OF THE TOTAL REVENUE  
10 CREDITED TO THE FUND EACH FISCAL YEAR, NOT TO EXCEED \$40,000 IN ANY FISCAL  
11 YEAR, TO OFFSET ITS COSTS IN ADMINISTERING THIS SUBHEADING.

12          (3)     THE FUND IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND  
13 PROCUREMENT ARTICLE.

14          (4)     GRANTS SHALL BE AWARDED TO LAW ENFORCEMENT AGENCIES  
15 FROM THE FUND AS AUTHORIZED BY THE SECRETARY.

16       (E)    EXPENDITURES FROM THE FUND MAY ONLY BE MADE:

17           (1)     PURSUANT TO AN APPROPRIATION APPROVED BY THE GENERAL  
18 ASSEMBLY IN THE ANNUAL STATE BUDGET; OR

19           (2)     BY THE BUDGET AMENDMENT PROCEDURE PROVIDED FOR IN § 7-209  
20 OF THE STATE FINANCE AND PROCUREMENT ARTICLE, PROVIDED THAT:

21                   (I)     THE BUDGET AMENDMENT AND SUPPORTING INFORMATION  
22 HAVE BEEN SUBMITTED TO THE BUDGET COMMITTEES FOR THEIR REVIEW AND  
23 COMMENT; AND

24                   (II)    AT LEAST 45 DAYS HAVE ELAPSED FROM THE TIME THE  
25 BUDGET AMENDMENT AND SUPPORTING INFORMATION WERE SUBMITTED TO THE  
26 BUDGET COMMITTEES.

27 78.

28       (A)    THE SECRETARY SHALL ESTABLISH PROCEDURES FOR LAW  
29 ENFORCEMENT AGENCIES TO APPLY FOR GRANTS FROM THE FUND AND FOR THE  
30 EVALUATION OF PROGRESS IN ADDRESSING THE PROBLEM OF IMPROPERLY  
31 REGISTERED MOTOR VEHICLES.

32       (B)    (1)     IN AWARDING GRANTS FROM THE FUND, THE SECRETARY SHALL  
33 CONSIDER:

34                   (I)     THE EXTENT OF THE PROBLEM OF IMPROPERLY REGISTERED  
35 MOTOR VEHICLES IN THE AREA IDENTIFIED BY THE LAW ENFORCEMENT AGENCY  
36 APPLYING FOR A GRANT;

1 (II) THE LAW ENFORCEMENT AGENCY'S GOALS AND PLANS WITH  
 2 RESPECT TO ENHANCED ENFORCEMENT EFFORTS RELATED TO IMPROPERLY  
 3 REGISTERED MOTOR VEHICLES; AND

4 (III) OTHER FACTORS RELATING TO THE PROBLEM OF IMPROPERLY  
 5 REGISTERED MOTOR VEHICLES IN THE STATE THAT THE SECRETARY CONSIDERS  
 6 REASONABLE.

7 (2) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT GRANTS BE  
 8 DISTRIBUTED TO LAW ENFORCEMENT AGENCIES THROUGHOUT THE STATE BASED  
 9 ON THE EXTENT OF THE PROBLEM OF IMPROPERLY REGISTERED MOTOR VEHICLES  
 10 AS DETERMINED BY THE SECRETARY.

11 79.

12 A LAW ENFORCEMENT AGENCY THAT IS AWARDED A GRANT UNDER THIS  
 13 SUBHEADING:

14 (1) MAY USE THE GRANT SOLELY IN ACCORDANCE WITH THE TERMS OF  
 15 THE GRANT FOR ENFORCEMENT EFFORTS RELATED TO IMPROPERLY REGISTERED  
 16 MOTOR VEHICLES;

17 (2) MAY NOT USE THE GRANT AS A SUBSTITUTE FOR MONEY THAT  
 18 OTHERWISE WOULD BE AVAILABLE AND USED BY THE LAW ENFORCEMENT AGENCY  
 19 FOR PURPOSES RELATED TO IMPROPERLY REGISTERED MOTOR VEHICLES; AND

20 (3) SHALL COMPLY WITH REPORTING REQUIREMENTS ESTABLISHED BY  
 21 THE SECRETARY FOR PURPOSES OF EVALUATING THE LAW ENFORCEMENT  
 22 AGENCY'S EFFORTS UNDER THE GRANT AND EFFORTS THROUGHOUT THE STATE  
 23 UNDER THIS SUBHEADING.

24 80.

25 THE SECRETARY SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246  
 26 OF THE STATE GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY, ON OR BEFORE  
 27 MARCH 1, 2000, AND ON OR BEFORE MARCH 1 OF EACH YEAR THEREAFTER ON:

28 (1) THE STATUS OF THE FUND;

29 (2) THE GRANTS AWARDED UNDER THIS SUBHEADING; AND

30 (3) THE EFFECT OF THIS SUBHEADING IN REDUCING THE NUMBER OF  
 31 IMPROPERLY REGISTERED MOTOR VEHICLES IN THE STATE.

32 **Article - Transportation**

33 ~~12-104.2.~~

34 ~~(A) IN THIS SECTION, "IMPROPERLY REGISTERED MOTOR VEHICLE" MEANS A~~  
 35 ~~MOTOR VEHICLE THAT:~~

1           (1)     ~~IS OWNED OR IN THE CUSTODY OF A PERSON WHO RESIDES IN THE~~  
2 ~~STATE;~~

3           (2)     ~~IS REGISTERED IN ANOTHER STATE; AND~~

4           (3)     ~~DOES NOT QUALIFY FOR AN EXEMPTION FROM THE REGISTRATION~~  
5 ~~REQUIREMENTS UNDER § 13-402 OR § 13-402.1 OF THIS ARTICLE.~~

6        (B)     ~~IF A LAW ENFORCEMENT OFFICER ISSUES A CITATION FOR AN~~  
7 ~~IMPROPERLY REGISTERED MOTOR VEHICLE AND THE IMPROPERLY REGISTERED~~  
8 ~~MOTOR VEHICLE IS SUBSEQUENTLY REGISTERED UNDER TITLE 13 OF THIS ARTICLE,~~  
9 ~~50% OF THE EXCISE TAX COLLECTED BY THE ADMINISTRATION IN REGISTERING THE~~  
10 ~~IMPROPERLY REGISTERED MOTOR VEHICLE SHALL BE CREDITED TO THE MOTOR~~  
11 ~~VEHICLE REGISTRATION ENFORCEMENT FUND ESTABLISHED UNDER ARTICLE 88B, §~~  
12 ~~77 OF THE CODE.~~

13 ~~12-118.~~

14        (b)     ~~Out of the money remitted to the State Comptroller under the Maryland~~  
15 ~~Vehicle Law, the State Comptroller shall:~~

16           (1)     ~~Pay or retain enough to pay all refunds of taxes or fees provided for in~~  
17 ~~the Maryland Vehicle Law;~~

18           (2)     ~~Credit to the Gasoline and Motor Vehicle Revenue Account of the~~  
19 ~~Transportation Trust Fund the revenues specified in § 8-402 of this article, after~~  
20 ~~retaining enough to pay:~~

21                   (i)     ~~The salaries and other expenses of the State Highway~~  
22 ~~Administration in enforcing Title 24 of this article;~~

23                   (ii)    ~~The salaries and other expenses of the Commercial Vehicle~~  
24 ~~Enforcement Division of the Department of State Police as approved by the~~  
25 ~~Department in enforcing Title 24 of this article, the provisions of the Tax—General~~  
26 ~~Article on the motor carrier tax, and the provisions of Title 10 of the Business~~  
27 ~~Regulation Article on motor fuel fraud and motor fuel tax fraud;~~

28                   (iii)   ~~Funds required, in addition to the funding provided in § 13-804,~~  
29 ~~for the salaries and other expenses of the Automotive Safety Enforcement Division of~~  
30 ~~the Department of State Police as approved by the Department in enforcing Title 23 of~~  
31 ~~this article and Subtitle 6 of Title 22 of this article; and~~

32                   (iv)    ~~The salaries and other expenses of the Department of State~~  
33 ~~Police and other State agencies, as approved by the Department, in enforcing the~~  
34 ~~provisions of § 25-111 of this article; [and]~~

35           (3)     ~~CREDIT TO THE MOTOR VEHICLE REGISTRATION ENFORCEMENT~~  
36 ~~FUND THE REVENUES SPECIFIED IN § 12-104.2 OF THIS SUBTITLE; AND~~

37           (4)     ~~Credit the balance to the Transportation Trust Fund.~~

1 17-106.

2 (e) (1) (i) In addition to any other penalty provided for in the Maryland  
3 Vehicle Law, if the required security for a vehicle terminates or otherwise lapses  
4 during its registration year, the Administration may assess the owner of the vehicle  
5 with a penalty of \$150 for each vehicle without the required security for a period of 1  
6 to 30 days. If a fine is assessed, beginning on the 31st day the fine shall increase by  
7 a rate of \$7 for each day.

8 (ii) Each period during which the required security for a vehicle  
9 terminates or otherwise lapses shall constitute a separate violation.

10 (iii) The penalty imposed under this subsection may not exceed  
11 \$2,500 for each violation in a 12-month period.

12 (2) (i) A penalty assessed under this subsection shall be paid as  
13 follows:

14 1. 70% to be allocated to the Vehicle Theft Prevention Fund,  
15 the Maryland Automobile Insurance Fund, THE MOTOR VEHICLE REGISTRATION  
16 ENFORCEMENT FUND, and the General Fund as provided in subparagraph (ii) of this  
17 paragraph; and

18 2. 30% to the Administration.

19 (ii) The percentage of the penalties specified under subparagraph  
20 (i) of this paragraph shall be distributed as follows:

21 1. \$2,000,000 to the Vehicle Theft Prevention Fund  
22 established under Article 88B, § 74 of the Code;

23 2. The amount distributed to the Maryland Automobile  
24 Insurance Fund in the prior fiscal year under the provisions of this subparagraph  
25 adjusted by the change for the calendar year preceding the fiscal year in the  
26 Consumer Price Index - All Urban Consumers - Medical Care as published by the  
27 United States Bureau of Labor Statistics to the Maryland Automobile Insurance  
28 Fund; [and]

29 3. ~~\$300,000~~ \$400,000 TO THE MOTOR VEHICLE REGISTRATION  
30 ENFORCEMENT FUND EACH FISCAL YEAR, STARTING IN FISCAL YEAR 1999 AND  
31 CONTINUING THROUGH FISCAL YEAR 2003; AND

32 4. The balance to the General Fund.

33 (3) If the Administration assesses a vehicle owner or co-owner with a  
34 penalty under this subsection, the Administration may not take any of the following  
35 actions until the penalty is paid:

36 (i) Reinstate a registration suspended under this subsection;

1 (ii) Issue a new registration for any vehicle that is owned or  
2 co-owned by that person and is titled after the violation date; or

3 (iii) Renew a registration for a vehicle that is owned or co-owned by  
4 that person and is titled after the violation date.

5 (4) (i) In this paragraph, "family member" means any individual  
6 whose relationship to the vehicle owner is one of those listed under § 13-810(b)(1) of  
7 this article as being exempt from paying the excise tax imposed on the transfer of a  
8 vehicle.

9 (ii) The monetary penalties provided in this subsection may not be  
10 avoided by transferring title to the vehicle.

11 (iii) Regardless of whether money or other valuable consideration is  
12 involved in the transfer, if title to a vehicle is transferred by an individual who has  
13 violated this subtitle to a family member, any suspension of the vehicle's registration  
14 that occurred before the transfer shall continue as if no transfer had occurred and a  
15 new registration may not be issued until the penalty fee is paid.

16 (5) An amount equal to the monetary penalties paid to the  
17 Administration under paragraph (2) of this subsection may be used by the  
18 Administration only for the enforcement of this subtitle.

19 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
20 read as follows:

21 **Article - Transportation**

22 17-106.

23 (e) (1) (i) In addition to any other penalty provided for in the Maryland  
24 Vehicle Law, if the required security for a vehicle terminates or otherwise lapses  
25 during its registration year, the Administration may assess the owner of the vehicle  
26 with a penalty of \$150 for each vehicle without the required security for a period of 1  
27 to 30 days. If a fine is assessed, beginning on the 31st day the fine shall increase by  
28 a rate of \$7 for each day.

29 (ii) Each period during which the required security for a vehicle  
30 terminates or otherwise lapses shall constitute a separate violation.

31 (iii) The penalty imposed under this subsection may not exceed  
32 \$2,500 for each violation in a 12-month period.

33 (2) (i) A penalty assessed under this subsection shall be paid as  
34 follows:

35 1. 70% to be allocated to the Maryland Automobile Insurance  
36 Fund, THE MOTOR VEHICLE REGISTRATION ENFORCEMENT FUND, and the General  
37 Fund as provided in subparagraph (ii) of this paragraph; and



1 Chapter 459 of the Acts of the General Assembly of 1994. If the termination does take  
2 effect, § 17-106(e) of the Transportation Article, as enacted by Section 1 of this Act,  
3 shall be void. This Act may not be interpreted to have any effect on that termination  
4 provision.

5 SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the  
6 General Assembly that, between July 1, 1998 and December 30, 1998, the  
7 Department of State Police shall consult with the Motor Vehicle Administration, the  
8 Maryland Municipal League, the Maryland Association of Counties, and the  
9 Maryland Chiefs of Police Association on the implementation of Section 1 of this Act  
10 and that, by January 1999, the grant program established under Section 1 of this Act  
11 shall be implemented.

12 SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the provisions  
13 of Section 3 of this Act, this Act shall take effect July 1, 1998. It shall remain effective  
14 for a period of 5 years and, at the end of June 30, 2003, with no further action  
15 required by the General Assembly, this Act shall be abrogated and of no further force  
16 or effect. Any balance in the Motor Vehicle Registration Enforcement Fund after June  
17 30, 2003 shall be transferred to the State's Transportation Trust Fund.