

SENATE BILL 184

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R4

1998 Regular Session
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CF 8r0734

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

Introduced and read first time: January 27, 1998

Assigned to: Judicial Proceedings

A BILL ENTITLED

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,
16 Article 88B - Department of State Police
17 Section 2(3), (6), and (10)
18 Annotated Code of Maryland
19 (1995 Replacement Volume and 1997 Supplement)

20 BY adding to
21 Article 88B - Department of State Police
22 Section 76 through 80, inclusive, to be under the heading designation "Motor
23 Vehicle Registration Enforcement Fund"
24 Annotated Code of Maryland
25 (1995 Replacement Volume and 1997 Supplement)

26 BY adding to
27 Article - Transportation
28 Section 12-104.2
29 Annotated Code of Maryland

1 (1995 Replacement Volume and 1997 Supplement)

2 BY repealing and reenacting, with amendments,

3 Article - Transportation

4 Section 12-118(b) and 17-106(e)

5 Annotated Code of Maryland

6 (1992 Replacement Volume and 1997 Supplement)

7 BY repealing and reenacting, with amendments,

8 Article - Transportation

9 Section 17-106(e)

10 Annotated Code of Maryland

11 (1992 Replacement Volume and 1997 Supplement)

12 (As enacted by Chapter 459 of the Acts of the General Assembly of 1994, as

13 amended by Chapter 195 of the Acts of the General Assembly of 1996)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

15 MARYLAND, That the Laws of Maryland read as follows:

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

17 2.

18 The following words shall have the meanings contained in this section unless

19 the context manifestly indicates a different meaning:

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

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

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

24 **MOTOR VEHICLE REGISTRATION ENFORCEMENT FUND**

25 76.

26 (A) IN THIS SUBHEADING THE FOLLOWING WORDS HAVE THE MEANINGS
27 INDICATED.

28 (B) "FUND" MEANS THE MOTOR VEHICLE REGISTRATION ENFORCEMENT
29 FUND.

30 (C) "IMPROPERLY REGISTERED MOTOR VEHICLE" HAS THE MEANING STATED
31 IN § 12-104.2 OF THE TRANSPORTATION ARTICLE.

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

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

4 77.

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

6 (B) THE FUND IS A SPECIAL NONLAPSING FUND THAT IS ADMINISTERED BY
7 THE SECRETARY AND IS INTENDED TO ASSIST LAW ENFORCEMENT AGENCIES IN
8 ENFORCING THE LAWS OF THE STATE RELATING TO IMPROPERLY REGISTERED
9 MOTOR VEHICLES.

10 (C) THE FUND CONSISTS OF:

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

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

15 (3) EARNINGS FROM THE INVESTMENT OF MONEY OF THE FUND; AND

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

18 (D) (1) THE STATE TREASURER SHALL HOLD THE FUND AND SHALL INVEST
19 THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE
20 INVESTED AND THE STATE COMPTROLLER SHALL ACCOUNT FOR THE FUND IN
21 CONJUNCTION WITH THE DEPARTMENT.

22 (2) THE DEPARTMENT SHALL RECEIVE 10% OF THE TOTAL REVENUE
23 CREDITED TO THE FUND EACH FISCAL YEAR TO OFFSET ITS COSTS IN
24 ADMINISTERING THIS SUBHEADING.

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

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

29 78.

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

34 (B) (1) IN AWARDING GRANTS FROM THE FUND, THE SECRETARY SHALL
35 CONSIDER:

1 (I) THE EXTENT OF THE PROBLEM OF IMPROPERLY REGISTERED
2 MOTOR VEHICLES IN THE AREA IDENTIFIED BY THE LAW ENFORCEMENT AGENCY
3 APPLYING FOR A GRANT;

4 (II) THE LAW ENFORCEMENT AGENCY'S GOALS AND PLANS WITH
5 RESPECT TO ENHANCED ENFORCEMENT EFFORTS RELATED TO IMPROPERLY
6 REGISTERED MOTOR VEHICLES; AND

7 (III) OTHER FACTORS RELATING TO THE PROBLEM OF IMPROPERLY
8 REGISTERED MOTOR VEHICLES IN THE STATE THAT THE SECRETARY CONSIDERS
9 REASONABLE.

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

14 79.

15 A LAW ENFORCEMENT AGENCY THAT IS AWARDED A GRANT UNDER THIS
16 SUBHEADING:

17 (1) MAY USE THE GRANT SOLELY IN ACCORDANCE WITH THE TERMS OF
18 THE GRANT FOR ENFORCEMENT EFFORTS RELATED TO IMPROPERLY REGISTERED
19 MOTOR VEHICLES;

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

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

27 80.

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

31 (1) THE STATUS OF THE FUND;

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

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

Article - Transportation

12-104.2.

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

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

(2) IS REGISTERED IN ANOTHER STATE; AND

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

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

12-118.

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

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

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

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

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

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

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

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

6 (4) Credit the balance to the Transportation Trust Fund.

7 17-106.

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

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

16 (iii) The penalty imposed under this subsection may not exceed
17 \$2,500 for each violation in a 12-month period.

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

20 1. 70% to be allocated to the Vehicle Theft Prevention Fund,
21 the Maryland Automobile Insurance Fund, THE MOTOR VEHICLE REGISTRATION
22 ENFORCEMENT FUND, and the General Fund as provided in subparagraph (ii) of this
23 paragraph; and

24 2. 30% to the Administration.

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

27 1. \$2,000,000 to the Vehicle Theft Prevention Fund
28 established under Article 88B, § 74 of the Code;

29 2. The amount distributed to the Maryland Automobile
30 Insurance Fund in the prior fiscal year under the provisions of this subparagraph
31 adjusted by the change for the calendar year preceding the fiscal year in the
32 Consumer Price Index - All Urban Consumers - Medical Care as published by the
33 United States Bureau of Labor Statistics to the Maryland Automobile Insurance
34 Fund; [and]

35 3. \$300,000 TO THE MOTOR VEHICLE REGISTRATION
36 ENFORCEMENT FUND EACH FISCAL YEAR, STARTING IN FISCAL YEAR 1999 AND
37 CONTINUING THROUGH FISCAL YEAR 2003; AND

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

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

5 1. 70% to be allocated to the Maryland Automobile Insurance
6 Fund, THE MOTOR VEHICLE REGISTRATION ENFORCEMENT FUND, and the General
7 Fund as provided in subparagraph (ii) of this paragraph; and

8 2. 30% to the Administration.

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

11 1. The amount distributed to the Maryland Automobile
12 Insurance Fund in the prior fiscal year under the provisions of this subparagraph
13 adjusted by the change for the calendar year preceding the fiscal year in the
14 Consumer Price Index - All Urban Consumers - Medical Care as published by the
15 United States Bureau of Labor Statistics to the Maryland Automobile Insurance
16 Fund; [and]

17 2. \$300,000 TO THE MOTOR VEHICLE REGISTRATION
18 ENFORCEMENT FUND EACH FISCAL YEAR, STARTING IN FISCAL YEAR 1999 AND
19 CONTINUING THROUGH FISCAL YEAR 2003; AND

20 3. The balance to the General Fund.

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

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

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

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

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

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

35 (iii) Regardless of whether money or other valuable consideration is
36 involved in the transfer, if title to a vehicle is transferred by an individual who has

1 violated this subtitle to a family member, any suspension of the vehicle's registration
2 that occurred before the transfer shall continue as if no transfer had occurred and a
3 new registration may not be issued until the penalty fee is paid.

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

7 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
8 take effect on the taking effect of the termination provision specified in Section 4 of
9 Chapter 459 of the Acts of the General Assembly of 1994. If the termination does take
10 effect, § 17-106(e) of the Transportation Article, as enacted by Section 1 of this Act,
11 shall be void. This Act may not be interpreted to have any effect on that termination
12 provision.

13 SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the
14 General Assembly that, between July 1, 1998 and December 30, 1998, the
15 Department of State Police shall consult with the Motor Vehicle Administration, the
16 Maryland Municipal League, the Maryland Association of Counties, and the
17 Maryland Chiefs of Police Association on the implementation of Section 1 of this Act
18 and that, by January 1999, the grant program established under Section 1 of this Act
19 shall be implemented.

20 SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the provisions
21 of Section 3 of this Act, this Act shall take effect July 1, 1998. It shall remain effective
22 for a period of 5 years and, at the end of June 30, 2003, with no further action
23 required by the General Assembly, this Act shall be abrogated and of no further force
24 or effect. Any balance in the Motor Vehicle Registration Enforcement Fund after June
25 30, 2003 shall be transferred to the State's Transportation Trust Fund.