
By: **Delegates McClenahan and W. Baker**
Introduced and read first time: February 22, 1999
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Administration - Verification of Vehicle Registrations**

3 FOR the purpose of reducing the percentage of vehicle registrations verified by the
4 Motor Vehicle Administration on a random sample basis; repealing a certain
5 provision of law requiring the verification of certain vehicle security
6 requirements after a certain date; providing for a delayed effective date for a
7 portion of this Act; and generally relating to verification of vehicle security
8 requirements.

9 BY repealing and reenacting, with amendments,
10 Article - Transportation
11 Section 17-108
12 Annotated Code of Maryland
13 (1998 Replacement Volume and 1998 Supplement)

14 BY repealing
15 Article - Transportation
16 Section 17-108
17 Annotated Code of Maryland
18 (1998 Replacement Volume and 1998 Supplement)
19 (As enacted by Section 1 of this Act)

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 17-108.

24 (a) (1) (i) The Administration shall annually select for verification on a
25 random sample basis not less than [10] 5 percent of vehicle registrations subject to
26 the security required by this subtitle.

1 (ii) In selecting the random sample, the Administration may focus
2 on the areas of the State that have the highest percentage of uninsured vehicles.

3 (2) (i) Upon the selection of any registered vehicle owner for
4 verification, the Administration shall request proof of insurance from the vehicle
5 owner's insurer or agent.

6 (ii) The registered vehicle owner's insurer or agent shall certify
7 and, within 30 days, submit to the Administration on a form prescribed by the
8 Administration notice if the registered vehicle owner is not insured with that insurer
9 or agent on the date specified by the Administration.

10 (3) (i) The Administration promptly shall request proof of insurance
11 from a registered vehicle owner if:

12 1. It receives the notice required under paragraph (2) of this
13 subsection and that notice shows that the vehicle owner is not insured with that
14 agent or insurer;

15 2. The Administration cannot determine from its records the
16 name of the vehicle owner's agent or insurer or the vehicle owner's policy number.

17 (ii) Following a request under subparagraph (i) of this paragraph,
18 the registered vehicle owner selected for verification shall submit proof of insurance
19 within 30 days of the request to the Administration on a form prescribed by the
20 Administration and certified by an insurer or agent.

21 (4) It shall be prima facie evidence that the vehicle has been uninsured
22 since the effective date of the vehicle's most recent registration if the vehicle owner:

23 (i) Fails to respond within a 30-day period to a request for proof of
24 insurance issued by the Administration under paragraph (3) of this subsection; or

25 (ii) Responds within a 30-day period to a request for proof of
26 insurance issued by the Administration under paragraph (3) of this subsection, but
27 fails to prove coverage by the required security on the original date specified by the
28 Administration under paragraph (2) of this subsection.

29 (5) A vehicle owner who has maintained the required security, but who
30 has failed to submit the required proof within the 30-day period, may submit the
31 required proof to rebut the presumption made under paragraph (4) of this subsection.

32 (6) A vehicle owner against whom a presumption has been made under
33 paragraph (4) of this subsection may submit proof that the owner's lapse in required
34 security has been for a period of shorter duration than the period specified in the
35 presumption.

36 (7) Nothing in this section prevents the Administration from assessing a
37 penalty calculated upon the entire period of a lapse in required security since the
38 effective date of the vehicle's most recent registration.

1 (b) (1) The Administration shall periodically select for verification any
2 statement of the required security by a person who has previously been convicted of
3 violating the provisions of this subtitle, or whose statements of required security have
4 previously been found to be incorrect.

5 (2) The Administration may determine the accuracy of information
6 relating to proof of required security satisfying the provisions of this subtitle.

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

9 **Article - Transportation**

10 [17-108.

11 (a) (1) (i) The Administration shall annually select for verification on a
12 random sample basis not less than 5 percent of vehicle registrations subject to the
13 security required by this subtitle.

14 (ii) In selecting the random sample, the Administration may focus
15 on the areas of the State that have the highest percentage of uninsured vehicles.

16 (2) (i) Upon the selection of any registered vehicle owner for
17 verification, the Administration shall request proof of insurance from the vehicle
18 owner's insurer or agent.

19 (ii) The registered vehicle owner's insurer or agent shall certify
20 and, within 30 days, submit to the Administration on a form prescribed by the
21 Administration notice if the registered vehicle owner is not insured with that insurer
22 or agent on the date specified by the Administration.

23 (3) (i) The Administration promptly shall request proof of insurance
24 from a registered vehicle owner if:

25 1. It receives the notice required under paragraph (2) of this
26 subsection and that notice shows that the vehicle owner is not insured with that
27 agent or insurer;

28 2. The Administration cannot determine from its records the
29 name of the vehicle owner's agent or insurer or the vehicle owner's policy number.

30 (ii) Following a request under subparagraph (i) of this paragraph,
31 the registered vehicle owner selected for verification shall submit proof of insurance
32 within 30 days of the request to the Administration on a form prescribed by the
33 Administration and certified by an insurer or agent.

34 (4) It shall be prima facie evidence that the vehicle has been uninsured
35 since the effective date of the vehicle's most recent registration if the vehicle owner:

1 (i) Fails to respond within a 30-day period to a request for proof of
2 insurance issued by the Administration under paragraph (3) of this subsection; or

3 (ii) Responds within a 30-day period to a request for proof of
4 insurance issued by the Administration under paragraph (3) of this subsection, but
5 fails to prove coverage by the required security on the original date specified by the
6 Administration under paragraph (2) of this subsection.

7 (5) A vehicle owner who has maintained the required security, but who
8 has failed to submit the required proof within the 30-day period, may submit the
9 required proof to rebut the presumption made under paragraph (4) of this subsection.

10 (6) A vehicle owner against whom a presumption has been made under
11 paragraph (4) of this subsection may submit proof that the owner's lapse in required
12 security has been for a period of shorter duration than the period specified in the
13 presumption.

14 (7) Nothing in this section prevents the Administration from assessing a
15 penalty calculated upon the entire period of a lapse in required security since the
16 effective date of the vehicle's most recent registration.

17 (b) (1) The Administration shall periodically select for verification any
18 statement of the required security by a person who has previously been convicted of
19 violating the provisions of this subtitle, or whose statements of required security have
20 previously been found to be incorrect.

21 (2) The Administration may determine the accuracy of information
22 relating to proof of required security satisfying the provisions of this subtitle.]

23 SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall
24 take effect June 1, 1999 and shall remain effective through December 31, 1999.

25 SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
26 take effect January 1, 2000.