
By: **Delegates McClenahan and W. Baker**
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CHAPTER _____

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:

1

Article - Transportation

2 17-108.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16 **Article - Transportation**

17 [17-108.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

