

SENATE BILL 625

Unofficial Copy
R7

2002 Regular Session
(2lr2034)

ENROLLED BILL

-- Judicial Proceedings and Budget and Taxation/Appropriations --

Introduced by **Senators Hoffman, Middleton, Hogan, Jimeno, Kasemeyer,
Neall, and Ruben**

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 - Uninsured Motorist Penalties - Distribution of Fees**

3 FOR the purpose of altering the distribution of certain uninsured motorist penalty
4 fees to provide for a distribution to the Vehicle Theft Prevention Fund during
5 certain fiscal years; providing for the distribution of certain uninsured motorist
6 penalty fees to the School Bus Safety Enforcement Fund during certain fiscal
7 years; altering the amount of certain uninsured motorist penalty fees
8 distributed to the Transportation Trust Fund in certain fiscal years; repealing
9 the termination of the Vehicle Theft Prevention Council and the Vehicle Theft
10 Prevention Fund; providing for the effective date of certain provisions of this Act;
11 providing for the termination of certain provisions of this Act; and generally
12 relating to the distribution of uninsured motorist penalty fees.

13 BY repealing and reenacting, without amendments,
14 Article - Transportation
15 Section 17-106(a)

1 Annotated Code of Maryland
2 (1999 Replacement Volume and 2001 Supplement)

3 BY repealing and reenacting, with amendments,
4 Article - Transportation
5 Section 17-106(e)
6 Annotated Code of Maryland
7 (1999 Replacement Volume and 2001 Supplement)

8 BY repealing and reenacting, with amendments,
9 Chapter 459 of the Acts of the General Assembly of 1994, as amended by
10 Chapter 434 of the Acts of the General Assembly of 1997, as amended by
11 Chapter 338 of the Acts of the General Assembly of 2000
12 Section 4

13 BY repealing and reenacting, with amendments,
14 Article - Transportation
15 Section 17-106(e)(2)
16 Annotated Code of Maryland
17 (1999 Replacement Volume and 2001 Supplement)
18 (As enacted by Section 14 of Chapter _____ (S.B. 323) of the Acts of the General
19 Assembly of 2002)

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 17-106.

24 (a) If the required security for any vehicle terminates or otherwise lapses at
25 any time, the registration of that vehicle:

26 (1) Is suspended automatically as of the date of termination or lapse; and

27 (2) Remains suspended until:

28 (i) The required security is replaced and the vehicle owner submits
29 evidence of replaced security on a form as prescribed by the Administration and
30 certified by an insurer or insurance producer; and

31 (ii) Any uninsured motorist penalty fee assessed is paid to the
32 Administration.

33 (e) (1) (i) In addition to any other penalty provided for in the Maryland
34 Vehicle Law, if the required security for a vehicle terminates or otherwise lapses
35 during its registration year, the Administration may assess the owner of the vehicle

1 with a penalty of \$150 for each vehicle without the required security for a period of 1
 2 to 30 days. If a fine is assessed, beginning on the 31st day the fine shall increase by
 3 a rate of \$7 for each day.

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

6 (iii) The penalty imposed under this subsection may not exceed
 7 \$2,500 for each violation in a 12-month period.

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

10 1. 70% to be allocated as provided in subparagraphs (ii)
 11 through [(vii)] (VI) of this paragraph; and

12 2. 30% to the Administration, which may be used by the
 13 Administration, subject to subsection (f) of this section, to provide funding for
 14 contracts with independent insurance producers to assist in the recovery of evidences
 15 of registration as authorized in subsection (d)(3) of this section.

16 (ii) For the fiscal year beginning July 1, 2001, the percentage of the
 17 penalties specified under subparagraph (i)1 of this paragraph shall be allocated
 18 among the VEHICLE THEFT PREVENTION FUND ESTABLISHED UNDER ARTICLE 88B, §
 19 74 OF THE CODE, THE Motor Vehicle Registration Enforcement Fund, the School Bus
 20 Safety Enforcement Fund, the Transportation Trust Fund, and the General Fund as
 21 follows:

22 1. ~~\$2,000,000~~ ~~\$2,180,000~~ \$2,000,000 TO THE VEHICLE THEFT
 23 PREVENTION FUND;

24 2. \$400,000 to the Motor Vehicle Registration Enforcement
 25 Fund;

26 [2.] 3. \$600,000 to the School Bus Safety Enforcement Fund;

27 [3.] 4. [\$11,600,000] \$9,600,000 to the Transportation Trust
 28 Fund; and

29 [4.] 5. The balance to the General Fund.

30 (iii) For the fiscal year beginning July 1, 2002, the percentage of the
 31 penalties specified under subparagraph (i)1 of this paragraph shall be allocated
 32 among the VEHICLE THEFT PREVENTION FUND, THE Motor Vehicle Registration
 33 Enforcement Fund, the School Bus Safety Enforcement Fund, and the Transportation
 34 Trust Fund as follows:

35 1. \$400,000 to the Motor Vehicle Registration Enforcement
 36 Fund;

1 2. \$600,000 to the School Bus Safety Enforcement Fund;

2 [and]

3 3. ~~\$2,000,000~~ \$2,180,000 TO THE VEHICLE THEFT PREVENTION
4 FUND; AND

5 4. The balance to the Transportation Trust Fund.

6 (iv) For each fiscal year beginning July 1, 2003 [or], July 1, 2004,
7 JULY 1, 2005, AND JULY 1, 2006, the percentage of the penalties specified under
8 subparagraph (i)1 of this paragraph shall be allocated [between] AMONG the School
9 Bus Safety Enforcement Fund, THE VEHICLE THEFT PREVENTION FUND, and the
10 Transportation Trust Fund as follows:

11 1. \$600,000 to the School Bus Safety Enforcement Fund;

12 [and]

13 2. ~~\$2,000,000~~ \$2,180,000 TO THE VEHICLE THEFT PREVENTION
14 FUND; AND

15 3. The balance to the Transportation Trust Fund.

16 (v) [For each fiscal year beginning July 1, 2005 or July 1, 2006, the
17 percentage of the penalties specified under subparagraph (i)1 of this paragraph shall
18 be distributed to the Transportation Trust Fund.

19 (vi) For the fiscal year beginning July 1, 2007, the percentage of the
20 penalties specified under subparagraph (i)1 of this paragraph shall be allocated
21 [between] AMONG the VEHICLE THEFT PREVENTION FUND, THE SCHOOL BUS
22 SAFETY ENFORCEMENT FUND, THE Maryland Automobile Insurance [Fund] FUND,
23 and the General Fund as follows:

24 1. \$4,400,000 to the Maryland Automobile Insurance Fund;

25 [and]

26 2. ~~\$2,000,000~~ \$2,180,000 TO THE VEHICLE THEFT PREVENTION
27 FUND;

28 3. \$600,000 TO THE SCHOOL BUS SAFETY ENFORCEMENT
29 FUND; AND

30 4. The balance to the General Fund.

31 [(vii)] (VI) For a fiscal year beginning on or after July 1, 2008, the
32 percentage of the penalties specified under subparagraph (i)1 of this paragraph shall
33 be allocated [between] AMONG the VEHICLE THEFT PREVENTION FUND, THE
34 SCHOOL BUS SAFETY ENFORCEMENT FUND, THE Maryland Automobile Insurance
35 [Fund] FUND, and the General Fund as follows:

1 1. ~~\$2,000,000~~ \$2,180,000 TO THE VEHICLE THEFT PREVENTION

2 FUND;

3 2. \$600,000 TO THE SCHOOL BUS SAFETY ENFORCEMENT

4 FUND;

5 3. The amount distributed to the Maryland Automobile
6 Insurance Fund in the prior fiscal year under the provisions of this paragraph
7 adjusted by the change for the calendar year preceding the fiscal year in the
8 Consumer Price Index - All Urban Consumers - Medical Care as published by the
9 United States Bureau of Labor Statistics to the Maryland Automobile Insurance
10 Fund; and

11 [2.] 4. The balance to the General Fund.

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

15 (i) Reinstatement a registration suspended under this subsection;

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

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

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

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

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

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

34 **Chapter 459 of the Acts of 1994, as amended by Chapter 434 of the Acts of**
35 **1997, as amended by Chapter 338 of the Acts of 2000**

36 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take
37 effect July 1, 1994. [It shall remain in effect for a period of nine years and one day

1 and, at the end of July 1, 2003, with no further action required by the General
2 Assembly, this Act shall be abrogated and of no further force and effect.]

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

5 Article - Transportation

6 17-106.

7 (e) (2) (i) A penalty assessed under this subsection shall be paid as
8 follows:

9 1. 70% to be allocated as provided in subparagraphs (ii)
10 through (iv) of this paragraph; and

11 2. 30% to the Administration, which may be used by the
12 Administration, subject to subsection (f) of this section, to provide funding for contracts
13 with independent agents to assist in the recovery of evidences of registration as
14 authorized in subsection (d)(3) of this section.

15 (ii) For the fiscal year beginning July 1, 2001, the percentage of the
16 penalties specified under subparagraph (i)1 of this paragraph shall be allocated
17 among the Vehicle Theft Prevention Fund, the Motor Vehicle Registration Enforcement
18 Fund, the School Bus Safety Enforcement Fund, the Transportation Trust Fund, and
19 the General Fund as follows:

20 1. \$400,000 to the Motor Vehicle Registration Enforcement
21 Fund;

22 2. \$600,000 to the School Bus Safety Enforcement Fund;

23 3. \$2,000,000 to the Vehicle Theft Prevention Fund;

24 4. \$9,600,000 to the Transportation Trust Fund; and

25 5. The balance to the General Fund.

26 (iii) For the fiscal year beginning July 1, 2002, the percentage of the
27 penalties specified under subparagraph (i)1 of this paragraph shall be allocated
28 among the Vehicle Theft Prevention Fund, the Maryland Automobile Insurance Fund,
29 the Motor Vehicle Registration Enforcement Fund, the School Bus Safety Enforcement
30 Fund, and the General Fund as follows:

31 1. \$400,000 to the Motor Vehicle Registration Enforcement
32 Fund;

33 2. \$600,000 to the School Bus Safety Enforcement Fund;

1 3. [\$2,000,000] \$2,180,000 to the Vehicle Theft Prevention

2 Fund;

3 4. \$2,000,000 to the Maryland Automobile Insurance Fund;

4 and

5 5. The balance to the General Fund.

6 (iv) For each fiscal year beginning on or after July 1, 2003, the
 7 percentage of the penalties specified under subparagraph (i)1 of this paragraph shall
 8 be allocated among the School Bus Safety Enforcement Fund, the Vehicle Theft
 9 Prevention Fund, the Maryland Automobile Insurance Fund, and the General Fund as
 10 follows:

11 1. \$600,000 to the School Bus Safety Enforcement Fund;

12 2. [\$2,000,000] \$2,180,000 to the Vehicle Theft Prevention

13 Fund;

14 3. the amount distributed to the Maryland Automobile
 15 Insurance Fund in the prior fiscal year under the provisions of this paragraph
 16 adjusted by the change for the calendar year preceding the fiscal year in the Consumer
 17 Price Index - All Urban Consumers - Medical Care as published by the United States
 18 Bureau of Labor Statistics to the Maryland Automobile Insurance Fund; and

19 4. The balance to the General Fund.

20 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall
 21 take effect upon the taking effect of Chapter ____ (S.B. 323) of the Acts of the General
 22 Assembly of 2002. If Chapter ____ (S.B. 323) takes effect, then with no further action
 23 required by the General Assembly, Section 1 of this Act shall be abrogated and of no
 24 further force and effect.

25 ~~SECTION 4.~~ ~~4.~~ AND BE IT FURTHER ENACTED, That, subject to Section 3
 26 of this Act, this Act shall take effect ~~July~~ June 1, 2002.