

SENATE BILL 625

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R7

2002 Regular Session  
2lr2034  
CF 2lr2729

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By: **Senators Hoffman, Middleton, Hogan, Jimeno, Kasemeyer, Neall, and Ruben**

Introduced and read first time: February 1, 2002

Assigned to: Finance and Judicial Proceedings

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A BILL ENTITLED

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; and generally relating to the distribution of uninsured  
11 motorist penalty fees.

12 BY repealing and reenacting, without amendments,  
13 Article - Transportation  
14 Section 17-106(a)  
15 Annotated Code of Maryland  
16 (1999 Replacement Volume and 2001 Supplement)

17 BY repealing and reenacting, with amendments,  
18 Article - Transportation  
19 Section 17-106(e)  
20 Annotated Code of Maryland  
21 (1999 Replacement Volume and 2001 Supplement)

22 BY repealing and reenacting, with amendments,  
23 Chapter 459 of the Acts of the General Assembly of 1994, as amended by  
24 Chapter 434 of the Acts of the General Assembly of 1997, as amended by  
25 Chapter 338 of the Acts of the General Assembly of 2000  
26 Section 4

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

1 **Article - Transportation**

2 17-106.

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

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

6 (2) Remains suspended until:

7 (i) The required security is replaced and the vehicle owner submits  
8 evidence of replaced security on a form as prescribed by the Administration and  
9 certified by an insurer or insurance producer; and10 (ii) Any uninsured motorist penalty fee assessed is paid to the  
11 Administration.12 (e) (1) (i) In addition to any other penalty provided for in the Maryland  
13 Vehicle Law, if the required security for a vehicle terminates or otherwise lapses  
14 during its registration year, the Administration may assess the owner of the vehicle  
15 with a penalty of \$150 for each vehicle without the required security for a period of 1  
16 to 30 days. If a fine is assessed, beginning on the 31st day the fine shall increase by  
17 a rate of \$7 for each day.18 (ii) Each period during which the required security for a vehicle  
19 terminates or otherwise lapses shall constitute a separate violation.20 (iii) The penalty imposed under this subsection may not exceed  
21 \$2,500 for each violation in a 12-month period.22 (2) (i) A penalty assessed under this subsection shall be paid as  
23 follows:24 1. 70% to be allocated as provided in subparagraphs (ii)  
25 through [(vii)] (VI) of this paragraph; and26 2. 30% to the Administration, which may be used by the  
27 Administration, subject to subsection (f) of this section, to provide funding for  
28 contracts with independent insurance producers to assist in the recovery of evidences  
29 of registration as authorized in subsection (d)(3) of this section.30 (ii) For the fiscal year beginning July 1, 2001, the percentage of the  
31 penalties specified under subparagraph (i)1 of this paragraph shall be allocated  
32 among the VEHICLE THEFT PREVENTION FUND ESTABLISHED UNDER ARTICLE 88B, §  
33 74 OF THE CODE, THE Motor Vehicle Registration Enforcement Fund, the School Bus  
34 Safety Enforcement Fund, the Transportation Trust Fund, and the General Fund as  
35 follows:

36 1. \$2,000,000 TO THE VEHICLE THEFT PREVENTION FUND;





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

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

9 **Chapter 459 of the Acts of 1994, as amended by Chapter 434 of the Acts of**  
10 **1997, as amended by Chapter 338 of the Acts of 2000**

11 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take  
12 effect July 1, 1994. [It shall remain in effect for a period of nine years and one day  
13 and, at the end of July 1, 2003, with no further action required by the General  
14 Assembly, this Act shall be abrogated and of no further force and effect.]

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
16 effect July 1, 2002.