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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

#### A BILL ENTITLED

4	4 % T	4 000	•
1	AN	ACT	concerning
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- 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
- 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:

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**Article - Transportation** 

#### 2 17-106. 3 If the required security for any vehicle terminates or otherwise lapses at (a) 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 The required security is replaced and the vehicle owner submits (i) 8 evidence of replaced security on a form as prescribed by the Administration and 9 certified by an insurer or insurance producer; and (ii) Any uninsured motorist penalty fee assessed is paid to the 11 Administration. 12 In addition to any other penalty provided for in the Maryland (e) (1) (i) 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 Each period during which the required security for a vehicle (ii) 19 terminates or otherwise lapses shall constitute a separate violation. 20 The penalty imposed under this subsection may not exceed (iii) 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 70% to be allocated as provided in subparagraphs (ii) 25 through [(vii)] (VI) of this paragraph; and 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 For the fiscal year beginning July 1, 2001, the percentage of the (ii) 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:

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

1.

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1 2 Fund;	2.	\$400,000 to the Motor Vehicle Registration Enforcement		
3	[2.]	3. \$600,000 to the School Bus Safety Enforcement Fund;		
4 5 Fund; and	[3.]	4. [\$11,600,000] \$9,600,000 to the Transportation Trust		
6	[4.]	5. The balance to the General Fund.		
(iii) For the fiscal year beginning July 1, 2002, the percentage of the penalties specified under subparagraph (i)1 of this paragraph shall be allocated among the VEHICLE THEFT PREVENTION FUND, THE Motor Vehicle Registration Enforcement Fund, the School Bus Safety Enforcement Fund, and the Transportation Trust Fund as follows:				
12 13 Fund;	1.	\$400,000 to the Motor Vehicle Registration Enforcement		
14 15 [and]	2.	\$600,000 to the School Bus Safety Enforcement Fund;		
16 17 AND	3.	\$2,000,000 TO THE VEHICLE THEFT PREVENTION FUND;		
18	4.	The balance to the Transportation Trust Fund.		
19 (iv) For each fiscal year beginning July 1, 2003 [or], July 1, 2004, 20 JULY 1, 2005, AND JULY 1, 2006, the percentage of the penalties specified under 21 subparagraph (i)1 of this paragraph shall be allocated [between] AMONG the School 22 Bus Safety Enforcement Fund, THE VEHICLE THEFT PREVENTION FUND, and the 23 Transportation Trust Fund as follows:				
24 25 [and]	1.	\$600,000 to the School Bus Safety Enforcement Fund;		
26 27 AND	2.	\$2,000,000 TO THE VEHICLE THEFT PREVENTION FUND;		
28	3.	The balance to the Transportation Trust Fund.		
29 (v) 30 percentage of the penalties sp 31 be distributed to the Transpor	pecified u	ach fiscal year beginning July 1, 2005 or July 1, 2006, the under subparagraph (i)1 of this paragraph shall rust Fund.		
34 [between] AMONG the VEH	paragrap IICLE TI FUND, T	e fiscal year beginning July 1, 2007, the percentage of the h (i)1 of this paragraph shall be allocated HEFT PREVENTION FUND, THE SCHOOL BUS THE Maryland Automobile Insurance [Fund] FUND,		

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1 2	[and]	1.	\$4,400,000 to the Maryland Automobile Insurance Fund;			
3		2.	\$2,000,000 TO THE VEHICLE THEFT PREVENTION FUND			
4 5	FUND; AND	3.	\$600,000 TO THE SCHOOL BUS SAFETY ENFORCEMENT			
6		4.	The balance to the General Fund.			
9 10	[(vii)] (VI) For a fiscal year beginning on or after July 1, 2008, the percentage of the penalties specified under subparagraph (i)1 of this paragraph shall be allocated [between] AMONG the VEHICLE THEFT PREVENTION FUND, THE SCHOOL BUS SAFETY ENFORCEMENT FUND, THE Maryland Automobile Insurance [Fund] FUND, and the General Fund as follows:					
12		1.	\$2,000,000 TO THE VEHICLE THEFT PREVENTION FUND			
13 14	FUND;	2.	\$600,000 TO THE SCHOOL BUS SAFETY ENFORCEMENT			
17 18 19	adjusted by the change for the Consumer Price Index - All U	calendar rban Con	The amount distributed to the Maryland Automobile under the provisions of this paragraph year preceding the fiscal year in the sumers - Medical Care as published by the s to the Maryland Automobile Insurance			
21		[2.]	4. The balance to the General Fund.			
		the Adm	tion assesses a vehicle owner or co-owner with a inistration may not take any of the following			
25	(i)	Reinstat	e a registration suspended under this subsection;			
26 27	(ii) co-owned by that person and i		new registration for any vehicle that is owned or fter the violation date; or			
28 29	(iii) that person and is titled after t		a registration for a vehicle that is owned or co-owned by on date.			
32		cle owne	aragraph, "family member" means any individual r is one of those listed under § 13-810(b)(1) of g the excise tax imposed on the transfer of a			
34 35	(ii) avoided by transferring title to		netary penalties provided in this subsection may not be			

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3 4	(iii) Regardless of whether money or other valuable consideration is involved in the transfer, if title to a vehicle is transferred by an individual who has violated this subtitle to a family member, any suspension of the vehicle's registration that occurred before the transfer shall continue as if no transfer had occurred and a new registration may not be issued until the penalty fee is paid.
	(5) An amount equal to the monetary penalties paid to the Administration under paragraph (2) of this subsection may be used by the Administration only for the enforcement of this subtitle.
9 10	Chapter 459 of the Acts of 1994, as amended by Chapter 434 of the Acts of 1997, as amended by Chapter 338 of the Acts of 2000
13	SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1994. [It shall remain in effect for a period of nine years and one day and, at the end of July 1, 2003, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]
15 16	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2002.