

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 471

(Delegates Glassman and Riley)

Commerce and Government Matters

Judicial Proceedings

Motor Vehicles - Salvage Vehicles - Distribution of Fees

This bill shifts the distribution of salvage vehicle inspection fees from the Vehicle Theft Prevention Fund to the auto theft unit of the Department of State Police to recover the costs of administering the salvage inspection program. None of the fees may be credited to the Gasoline and Motor Vehicle Revenue Account for distribution.

Fiscal Summary

State Effect: None. The bill primarily alters the distribution of existing State funds (approximately \$180,000 in FY 2003) within the Department of State Police. To the extent it requires administrative changes, the department could handle them with existing resources.

Local Effect: Potential minimal decrease in grant revenues to local governments for vehicle theft enforcement and deterrence effect.

Small Business Effect: Potential minimal.

Analysis

Current Law: The Vehicle Theft Prevention Fund is a special nonlapsing fund created in 1994 that will sunset July 1, 2003, pursuant to Chapter 338 of 2000. The Vehicle Theft Prevention Council, which operates under the State Police, administers the fund, which consists of: (1) all money received from uninsured motorist penalties and salvage certificate fees; and (2) all money received by the council or the fund from any source, including gifts, grants, awards, or money from the federal or State government, a local government, an association, organization, or other private source.

The fund is to be used to award grants to State and local law enforcement organizations and neighborhood, business, or community organizations for enforcement efforts and deterrence of vehicle theft, including:

- educational programs designed to inform motor vehicle owners of ways to prevent vehicle theft and to provide equipment, for experimental purposes, to enable vehicle owners to prevent theft;
- programs designed to reduce the incidence of juvenile vehicle theft and juvenile recidivism; and
- programs designed to reduce or deter damage or vandalism to a vehicle in connection with a vehicle theft or theft of property from a vehicle.

The grants and awards made with these funds should, to the extent practicable, be allocated among the subdivisions of the State on a pro rata basis determined by the percentage of the total number of vehicles registered in the State that are registered in each subdivision. Expenditures from the fund may only be made pursuant to an appropriation approved by the General Assembly in the annual State budget or through the budget amendment procedure.

State Revenues: The proposed fiscal 2003 allowance provides \$732,912 in special funds for the Vehicle Theft Prevention Fund, which includes approximately \$180,000 in salvage certificate fees that the Motor Vehicle Administration collects annually. The Department of State Police advises that inspection and towing of salvage vehicles is a significant administrative burden and cost, including personnel overtime. In calendar 2000, the department inspected 8,573 vehicles and expects the 2001 inspection number to increase to approximately 10,500 vehicles, based on available data.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of State Police, Department of Transportation, Department of Legislative Services

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