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Introduced and read first time: February 20, 2004 Assigned to: Rules and Executive Nominations

# A BILL ENTITLED

### 1 AN ACT concerning

#### 2

### Vehicle Laws - Lapsed or Terminated Security - Penalties

3 FOR the purpose of altering the penalty that may be assessed by the Motor Vehicle

4 Administration for a vehicle that is without the security required for the vehicle

5 for a certain period; increasing the penalty that may be assessed for a vehicle

6 that continues to be in violation of certain security requirements for a certain

7 period; increasing the amount of the daily penalty that may be assessed for

8 violating certain vehicle security requirements after a certain period; increasing

9 the maximum penalty that may be assessed for a violation of certain vehicle

10 security requirements occurring within a certain period; and generally relating

11 to penalties for lapsed or terminated security for motor vehicles.

12 BY repealing and reenacting, with amendments,

13 Article - Transportation

14 Section 17-106(e)

15 Annotated Code of Maryland

16 (2002 Replacement Volume and 2003 Supplement)

## 17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

18 MARYLAND, That the Laws of Maryland read as follows:

19

## **Article - Transportation**

20 17-106.

(e) (1) (i) In addition to any other penalty provided for in the Maryland
Vehicle Law, if the required security for a vehicle terminates or otherwise lapses
during its registration year, the Administration may assess the owner of the vehicle
with [a penalty of \$150 for each vehicle without the required security for a period of
1 to 30 days. If a fine is assessed, beginning on the 31st day the fine shall increase by
a rate of \$7 for each day] THE FOLLOWING PENALTIES:

27 1. FOR EACH VEHICLE WITHOUT THE REQUIRED SECURITY 28 FOR A PERIOD OF 1 TO 15 DAYS, \$75; OR

2			HOUSE BILL 1381		
1 2	FOR A PERIOD OF 16 T	2. O 30 DAYS	FOR EACH VEHICLE WITHOUT THE REQUIRED SECURITY , \$180.		
3 4	(II) SHALL INCREASE TO		INE IS ASSESSED, BEGINNING ON THE 31ST DAY THE FINE \$9 FOR EACH DAY.		
5 6	[(ii vehicle terminates or othe		Each period during which the required security for a shall constitute a separate violation.		
7 8	[(ii [\$2,500] \$3,000 for each		The penalty imposed under this subsection may not exceed 12-month period.		
9 10	(2) (i) follows:	A pena	lty assessed under this subsection shall be paid as		
11 12	through (iv) of this parag	1. raph; and	70% to be allocated as provided in subparagraphs (ii)		
14 15	<ul> <li>2. 30% to the Administration, which may be used by the</li> <li>Administration, subject to subsection (f) of this section, to provide funding for</li> <li>contracts with independent agents to assist in the recovery of evidences of</li> <li>registration as authorized in subsection (d)(3) of this section.</li> </ul>				
<ul> <li>(ii) For the fiscal year beginning July 1, 2001, the percentage of the</li> <li>penalties specified under subparagraph (i)1 of this paragraph shall be allocated</li> <li>among the Vehicle Theft Prevention Fund, the Motor Vehicle Registration</li> <li>Enforcement Fund, the School Bus Safety Enforcement Fund, the Transportation</li> <li>Trust Fund, and the General Fund as follows:</li> </ul>					
22 23	Fund;	1.	\$400,000 to the Motor Vehicle Registration Enforcement		
24		2.	\$600,000 to the School Bus Safety Enforcement Fund;		
25		3.	\$2,000,000 to the Vehicle Theft Prevention Fund;		
26		4.	\$9,600,000 to the Transportation Trust Fund; and		
27		5.	The balance to the General Fund.		
<ul> <li>(iii) For the fiscal year beginning July 1, 2002, the percentage of the</li> <li>penalties specified under subparagraph (i)1 of this paragraph shall be allocated</li> <li>among the Vehicle Theft Prevention Fund, the Maryland Automobile Insurance Fund,</li> <li>the Motor Vehicle Registration Enforcement Fund, the School Bus Safety</li> <li>Enforcement Fund, and the General Fund as follows:</li> </ul>					
33 34	Fund;	1.	\$400,000 to the Motor Vehicle Registration Enforcement		
35		2.	\$600,000 to the School Bus Safety Enforcement Fund;		

## HOUSE BILL 1381

1	3.	\$2,000,000 to the Vehicle Theft Prevention Fund;		
2 3 and	4.	\$2,000,000 to the Maryland Automobile Insurance Fund;		
4	5.	The balance to the General Fund.		
5 (iv) For each fiscal year beginning on or after July 1, 2003, the 6 percentage of the penalties specified under subparagraph (i)1 of this paragraph shall 7 be allocated among the School Bus Safety Enforcement Fund, the Vehicle Theft 8 Prevention Fund, the Maryland Automobile Insurance Fund, and the General Fund 9 as follows:				
10	1.	\$600,000 to the School Bus Safety Enforcement Fund;		
11	2.	\$2,000,000 to the Vehicle Theft Prevention Fund;		
<ul> <li>3. The amount distributed to the Maryland Automobile</li> <li>Insurance Fund in the prior fiscal year under the provisions of this paragraph</li> <li>adjusted by the change for the calendar year preceding the fiscal year in the</li> <li>Consumer Price Index - All Urban Consumers - Medical Care as published by the</li> <li>United States Bureau of Labor Statistics to the Maryland Automobile Insurance</li> <li>Fund; and</li> </ul>				
18	4.	The balance to the General Fund.		
19 (3) If the Administration assesses a vehicle owner or co-owner with a 20 penalty under this subsection, the Administration may not take any of the following 21 actions until the penalty is paid:				
22 (i)	Reinst	ate a registration suspended under this subsection;		
<ul><li>23 (ii)</li><li>24 co-owned by that person and</li></ul>		new registration for any vehicle that is owned or after the violation date; or		
<ul><li>25 (iii)</li><li>26 that person and is titled after</li></ul>		a registration for a vehicle that is owned or co-owned by ation date.		
<ul> <li>(4) (i) In this paragraph, "family member" means any individual</li> <li>whose relationship to the vehicle owner is one of those listed under § 13-810(b)(1) of</li> <li>this article as being exempt from paying the excise tax imposed on the transfer of a</li> <li>vehicle.</li> </ul>				
<ul><li>31 (ii)</li><li>32 avoided by transferring title</li></ul>		onetary penalties provided in this subsection may not be nicle.		
	le to a ve	lless of whether money or other valuable consideration is hicle is transferred by an individual who has ber, any suspension of the vehicle's registration		

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### **HOUSE BILL 1381**

1 that occurred before the transfer shall continue as if no transfer had occurred and a

2 new registration may not be issued until the penalty fee is paid.

3 (5) An amount equal to the monetary penalties paid to the 4 Administration under paragraph (2) of this subsection may be used by the

5 Administration only for the enforcement of this subtitle.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 7 October 1, 2004.