

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 653 (Senator Giannetti)
Judicial Proceedings

**Courts - Service of Process - Motor Vehicle Administration as Agent for
Nonresident Driver**

This bill designates the Motor Vehicle Administration (MVA) as the agent for a nonresident driver with regard to service of process. The bill establishes when service on a nonresident driver is sufficient and authorizes the MVA to collect a fee to recover costs associated with receiving process.

The bill only applies prospectively to cases filed on or after the October 1, 2005 effective date.

Fiscal Summary

State Effect: Potential increase in Transportation Trust Fund (TTF) expenditures. The actual effect would depend on the number of subpoenas served on the MVA. Potential effect on judicial operations, due to the potential increase in caseload.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: By exercising the nonresident's privilege to drive, a nonresident irrevocably appoints the MVA as agent to receive a subpoena, summons, or other process that is directed to the nonresident driver and is issued in an action that is related to an

accident or collision involving a motor vehicle driven by the nonresident driver and in which the nonresident driver is named a party.

Service of process is sufficient service on the nonresident driver if:

- service is made by personal delivery and leaving of a copy of the process with the MVA;
- a fee for service of process is paid to the MVA; and
- the MVA sends a copy of the process by certified mail to the nonresident driver at the nonresident driver's last known address.

The MVA must keep a record of all process served that shows the date and hour of the service. When the certified return receipt is returned to the MVA, the MVA must:

- upon request, deliver it to the party seeking service; and
- keep a record of the date of its receipt and delivery to the party seeking service.

The MVA is authorized to establish and collect a fee to recover its costs under the bill.

Current Law: Maryland Rule 2-124 sets out the persons who are to be served with process.

Service is made on an individual by serving the individual or an agent authorized by appointment or by law to receive service of process for the individual.

State Expenditures: According to the *2002 Maryland Traffic Safety and Injury Facts Book*, there were 104,840 reported traffic accidents in Maryland in 2002. There is no breakdown indicating how many of those accidents involved nonresident drivers. The MVA currently processes approximately 8,400 subpoenas per year. One customer agent and one part-time teletypewriter operator can process 700 subpoenas per month. *For illustrative purposes only*, if 10% of reported accidents involve nonresident drivers, one additional customer agent and one additional part-time teletypewriter operator would be required, at a total TTF costs of \$97,801 (includes salaries, fringe benefits, and operating expenses) in fiscal 2006.

The MVA is authorized to recover its costs for processing subpoenas. Therefore, the total fiscal impact should be minimal.

The District Court advises that it may experience an increase in caseloads. Additional clerical time will be required to process the additional cases and additional court time will be necessary for the increased number of trials.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Maryland Department of Transportation, Department of Legislative Services

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