Department of Legislative Services Maryland General Assembly

2005 Session

FISCAL AND POLICY NOTE

Senate Bill 279 Judicial Proceedings (Senator Della)

Fines for Parking Violations - Late Fees - Restrictions in Baltimore City

This bill limits the amount and number of late fees that Baltimore City may charge an individual who has failed either to pay a citation for a parking violation or to file notice of intention to stand trial for the violation by the date specified in the citation. Baltimore City may not charge an individual more than one late fee, or a late fee that exceeds \$25.

Fiscal Summary

State Effect: None.

Local Effect: Baltimore City revenues from parking tickets could decrease by \$3.5 million in FY 2006 and by \$4.7 million annually thereafter. This bill imposes a mandate on a unit of local government.

Small Business Effect: Minimal.

Analysis

Current Law: Any State agency authorized by law and any political subdivision of the State may adopt ordinances or regulations that: (1) regulate the parking of vehicles; (2) provide for the impounding of vehicles parked in violation of the ordinances or regulations; (3) regulate the towing of vehicles from publicly and privately owned parking lots; and (4) provide for the issuance of a citation by an officer for a violation of an ordinance or regulation that is adopted under the State enabling law.

Background: Baltimore City requires parking fines to be paid within 15 days of notification. Approximately 43% of individuals receiving a parking ticket do not pay the

ticket within the specified time period. Baltimore City currently assesses a late fee of \$16 per month for each month or partial month until either the violation and any outstanding late fees are paid, or until such time as the person expresses their intention to stand trial for the violation.

Baltimore City advises that there are currently 324,633 unpaid parking citations in the city system. Approximately 65% are considered current – *i.e.*, the citations date from two years ago or less. In calendar 2004, Baltimore City collected \$5.4 million in penalty payments resulting from the late payment of parking fines.

Local Revenues: Baltimore City issues approximately 400,000 parking tickets annually. Of this amount, approximately 57.4%, or 229,600 are paid immediately and are not subject to late fees or penalties. An additional 21.2%, or 84,800 are never paid, and the city does not collect additional revenue. Of the remaining 21.4%, or 85,600 are outstanding for an average of 4.2 months. Accordingly, assuming that Baltimore City charged a \$25 fee for all citations not paid by the date specified on the citation, and that the change in late fee is not retroactive to tickets issued before October 1, 2005, Baltimore City revenues from parking ticket penalties would decrease by \$3,531,000 in fiscal 2006 and by \$4,708,000 annually thereafter.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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