

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 177 (Senator Della)
Judicial Proceedings

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 \$4.0 million in FY 2007 and by \$5.3 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. There is an additional grace period of 15 days before late fees are assessed. In calendar 2005, approximately 62.7% of individuals who received a parking ticket did

not pay the ticket within 30 days of its issuance. Baltimore City currently assesses a late fee of \$16 per month for each month or partial month until either both 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 approximately 65% of citations currently within the system are considered current – *i.e.*, the citations date from two years ago or less.

Local Revenues: Baltimore City issued 317,309 parking tickets in calendar 2005. Of this amount, 37% or approximately 118,400 were paid immediately and were not subject to late fees or penalties. Approximately 103,000 or 32% were never paid, and the city did not collect additional revenue. Of the remaining, approximately 96,250 were outstanding for an average of 4.2 months. In calendar 2005, Baltimore City collected \$7.7 million in penalty payments resulting from the late payment of parking fines.

Pursuant to this legislation, assuming 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, 2006, Baltimore City revenues from parking ticket penalties would decrease by approximately \$4.0 million in fiscal 2007 and by \$5.3 million annually thereafter. This estimate assumes that the number of tickets issued each year remains at 2005 levels, the percentage of individuals failing to pay parking tickets on time remains the same, and the average late payment amount remains at \$80 per individual.

Additional Information

Prior Introductions: An identical bill, SB 279 was introduced in the 2005 session. It passed the Senate, and was assigned to the House Rules Committee, where no further action was taken.

Cross File: None.

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

Fiscal Note History: First Reader - January 30, 2006
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Analysis by: Nora C. McArdle

Direct Inquiries to:
(410) 946-5510
(301) 970-5510