HOUSE BILL 58

R7

By: Delegate Rice

Introduced and read first time: October 31, 2007 Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 Vehicle Laws - Required Security - Termination or Lapse - Penalties

- FOR the purpose of altering the penalties the Motor Vehicle Administration may
 assess if the required security for a vehicle terminates or otherwise lapses
 during the vehicle's registration year; altering the allocation of the penalties;
 repealing certain obsolete provisions of law; and generally relating to penalties
 for termination or lapse of required security for vehicles.
- 8 BY repealing and reenacting, with amendments,
- 9 Article Transportation
- 10 Section 17–106(e)(1) and (2) and (f)
- 11 Annotated Code of Maryland
- 12 (2006 Replacement Volume and 2007 Supplement)
- 13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 14 MARYLAND, That the Laws of Maryland read as follows:
- 15

Article – Transportation

16 17–106.

17 (e) (1) (i) In addition to any other penalty provided for in the 18 Maryland Vehicle Law, if the required security for a vehicle terminates or otherwise 19 lapses during its registration year, the Administration may assess the owner of the 20 vehicle with [a penalty of \$150 for each vehicle without the required security for a 21 period of 1 to 30 days. If a fine is assessed, beginning on the 31st day the fine shall 22 increase by a rate of \$7 for each day] **THE FOLLOWING PENALTIES:**

231. FOR EACH VEHICLE WITHOUT THE REQUIRED24SECURITY FOR A PERIOD OF 1 TO 30 DAYS, \$300; AND



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$egin{array}{c} 1 \\ 2 \\ 3 \end{array}$	2. FOR EACH VEHICLE WITHOUT THE REQUIRED SECURITY FOR MORE THAN 30 DAYS, AN ADDITIONAL PENALTY OF \$14 EACH DAY FOR THE 31ST DAY AND EACH DAY THEREAFTER.
4 5	(ii) Each period during which the required security for a vehicle terminates or otherwise lapses shall constitute a separate violation.
$6 \\ 7$	(iii) The penalty imposed under this subsection may not exceed [\$2,500] \$5,000 for each violation in a 12–month period.
8 9	(2) [(i) A] FOR EACH FISCAL YEAR BEGINNING ON OR AFTER JULY 1, 2008, A penalty assessed under this subsection shall be paid as follows:
10 11	[1.] (I) 70% to [be allocated as provided in subparagraphs (ii) through (iv) of this paragraph] THE GENERAL FUND ; and
$12 \\ 13 \\ 14 \\ 15$	[2.] (II) 30% to the Administration, which may be used by the Administration, subject to subsection (f) of this section, to provide funding for contracts with independent agents to assist in the recovery of evidences of registration as authorized in subsection (d)(3) of this section.
16 17 18 19 20	[(ii) For the fiscal year beginning July 1, 2001, the percentage of the penalties specified under subparagraph (i)1 of this paragraph shall be allocated among the Vehicle Theft Prevention Fund, the Motor Vehicle Registration Enforcement Fund, the School Bus Safety Enforcement Fund, the Transportation Trust Fund, and the General Fund as follows:
$\begin{array}{c} 21 \\ 22 \end{array}$	1. \$400,000 to the Motor Vehicle Registration Enforcement Fund;
23	2. \$600,000 to the School Bus Safety Enforcement Fund;
24	3. \$2,000,000 to the Vehicle Theft Prevention Fund;
25	4. \$9,600,000 to the Transportation Trust Fund; and
26	5. The balance to the General Fund.
27 28 29 30 31	(iii) For the fiscal year beginning July 1, 2002, the percentage of the penalties specified under subparagraph (i)1 of this paragraph shall be allocated among the Vehicle Theft Prevention Fund, the Maryland Automobile Insurance Fund, the Motor Vehicle Registration Enforcement Fund, the School Bus Safety Enforcement Fund, and the General Fund as follows:
32 33	1. \$400,000 to the Motor Vehicle Registration Enforcement Fund:

33 Enforcement Fund;

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1		2.	\$600,000 to the School Bus Safety Enforcement Fund;	
2		3.	\$2,000,000 to the Vehicle Theft Prevention Fund;	
$3 \\ 4$	Fund; and	4.	\$2,000,000 to the Maryland Automobile Insurance	
5		5.	The balance to the General Fund.	
	(iv) For each fiscal year beginning on or after July 1, 2003, the percentage of the penalties specified under subparagraph (i)1 of this paragraph shall be allocated among the School Bus Safety Enforcement Fund, the Vehicle Theft Prevention Fund, the Maryland Automobile Insurance Fund, and the General Fund as follows:			
11		1.	\$600,000 to the School Bus Safety Enforcement Fund;	
12		2.	\$2,000,000 to the Vehicle Theft Prevention Fund;	
$13 \\ 14 \\ 15 \\ 16 \\ 17$	3. The amount distributed to the Maryland Automobile Insurance Fund in the prior fiscal year under the provisions of this paragraph adjusted by the change for the calendar year preceding the fiscal year in the Consumer Price Index – All Urban Consumers – Medical Care as published by the United States Bureau of Labor Statistics to the Maryland Automobile Insurance Fund; and			
18		4.	The balance to the General Fund.]	
19 20 21	(f) From the amount distributed to the Administration under subsection $[(e)(2)(i)2]$ (E)(2)(II) of this section, expenditures to fund contracts entered into under subsection (d)(3) of this section:			
22	(1) May	not ex	ceed \$1,000,000 in any fiscal year; and	
23	(2) May	be ma	de only:	
$\begin{array}{c} 24 \\ 25 \end{array}$	(i) Pursuant to an appropriation approved by the General Assembly in the annual State budget; or			
26 27	(ii) Through the budget amendment procedure provided for in § 7–209 of the State Finance and Procurement Article, provided that:			
28 29	have been submitted to t	1. the buc	The budget amendment and supporting information lget committees for review and comment; and	
$30 \\ 31 \\ 32$	2. At least 45 days have elapsed from the time the budget amendment and supporting information were submitted to the budget committees.			

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 2 July 1, 2008.