

HOUSE BILL 58

R7

8lr4614

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**

3 FOR the purpose of altering the penalties the Motor Vehicle Administration may
4 assess if the required security for a vehicle terminates or otherwise lapses
5 during the vehicle's registration year; altering the allocation of the penalties;
6 repealing certain obsolete provisions of law; and generally relating to penalties
7 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:**

23 **1. FOR EACH VEHICLE WITHOUT THE REQUIRED**
24 **SECURITY FOR A PERIOD OF 1 TO 30 DAYS, \$300; AND**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **2. FOR EACH VEHICLE WITHOUT THE REQUIRED**
 2 **SECURITY FOR MORE THAN 30 DAYS, AN ADDITIONAL PENALTY OF \$14 EACH**
 3 **DAY FOR THE 31ST DAY AND EACH DAY THEREAFTER.**

4 (ii) Each period during which the required security for a vehicle
 5 terminates or otherwise lapses shall constitute a separate violation.

6 (iii) The penalty imposed under this subsection may not exceed
 7 [\$2,500] **\$5,000** for each violation in a 12-month period.

8 (2) [(i) **A] FOR EACH FISCAL YEAR BEGINNING ON OR AFTER**
 9 **JULY 1, 2008, A** penalty assessed under this subsection shall be paid as follows:

10 [1.] (I) 70% to [be allocated as provided in
 11 subparagraphs (ii) through (iv) of this paragraph] **THE GENERAL FUND**; and

12 [2.] (II) 30% to the Administration, which may be used
 13 by the Administration, subject to subsection (f) of this section, to provide funding for
 14 contracts with independent agents to assist in the recovery of evidences of registration
 15 as authorized in subsection (d)(3) of this section.

16 [(ii) For the fiscal year beginning July 1, 2001, the percentage of
 17 the penalties specified under subparagraph (i)1 of this paragraph shall be allocated
 18 among the Vehicle Theft Prevention Fund, the Motor Vehicle Registration
 19 Enforcement Fund, the School Bus Safety Enforcement Fund, the Transportation
 20 Trust Fund, and the General Fund as follows:

21 1. \$400,000 to the Motor Vehicle Registration
 22 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 (iii) For the fiscal year beginning July 1, 2002, the percentage of
 28 the penalties specified under subparagraph (i)1 of this paragraph shall be allocated
 29 among the Vehicle Theft Prevention Fund, the Maryland Automobile Insurance Fund,
 30 the Motor Vehicle Registration Enforcement Fund, the School Bus Safety Enforcement
 31 Fund, and the General Fund as follows:

32 1. \$400,000 to the Motor Vehicle Registration
 33 Enforcement Fund;

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