

Department of Legislative Services
 Maryland General Assembly
 2009 Session

FISCAL AND POLICY NOTE

Senate Bill 701 (Senator Klausmeier, *et al.*)
 Judicial Proceedings

Vehicle Laws - Stolen Registration Plates, Registration Card, or Validation Tabs
 - Waiver of Fee for Replacement

This bill requires the Motor Vehicle Administration (MVA) to waive the fee for a replacement registration plate or card, validation tab, or special registration plate if the plate, card, or tab was stolen and the owner of the vehicle submits proof that a police report regarding the theft was filed in a timely manner.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) revenues may decrease by about \$118,400 in FY 2010 and by about \$157,900 annually thereafter due to the elimination of a fee for the replacement of stolen registration plates or stickers. TTF expenditures may increase if it is necessary to contract with an outside vendor to complete the required computer reprogramming.

(in dollars)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
SF Revenue	(\$118,400)	(\$157,900)	(\$157,900)	(\$157,900)	(\$157,900)
SF Expenditure	-	\$0	\$0	\$0	\$0
Net Effect	(\$118,400)	(\$157,900)	(\$157,900)	(\$157,900)	(\$157,900)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Local law enforcement workloads and expenditures increase minimally.

Small Business Effect: None.

Analysis

Current Law: If a registration plate is lost, stolen, or damaged to the point of illegibility the vehicle owner must immediately display on the vehicle a temporary plate with the vehicle's registration number in a manner as similar as possible to the requirements for a normal registration plate. Within 48 hours of the loss, theft, or damage, the vehicle owner or legal representative named in the certificate of title must notify MVA, apply for a replacement plate, card, or tab, as necessary, and pay the fee established by MVA. A replacement registration plate fee is \$20 and a replacement registration sticker fee is \$5.

State Revenues: TTF revenues decrease due to replacement registration plate or sticker fees no longer being collected under the bill. MVA estimates this revenue loss at \$118,388 in fiscal 2010 and \$157,850 annually thereafter. This estimate reflects the October 1, 2009 effective date and the following information and assumptions:

- 3,757 registration plates or stickers were reported stolen to MVA in fiscal 2008;
- 5% of the replacement registration plates and stickers issued in fiscal 2008 are assumed to be issued to replace stolen registration plates and stickers that were not reported or treated as stolen by MVA; and
- there is no change in the number of replacement registration plates and stickers issued annually.

State Expenditures: MVA advises that significant computer reprogramming is necessary to implement the bill, primarily to create a database for which police report information may be stored. If MVA is unable to accomplish any of the estimated 1,200 man-hours of computer reprogramming with existing staff and resources, it may be necessary to contract with an outside computer services vendor at a cost of between \$156,250 and \$625,000. Legislative Services advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized should it be necessary to retain outside contractual services; this would reduce the costs associated with this bill and the other legislation affecting MVA.

Local Expenditures: Local law enforcement workloads may increase to the extent that the bill causes an increase in the number of registration plates or stickers reported stolen. Worcester County advises that once a registration plate or sticker is reported stolen the police investigate the claim, report the claim to the National Crime Information Computer system, and conduct an annual validation to ascertain whether the item is still stolen, at a cost of about \$175 per claim made.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Kent, Washington, Worcester, and Montgomery counties; Baltimore City; Department of State Police; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2009
ncs/ljm

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