

**Department of Legislative Services**  
 Maryland General Assembly  
 2010 Session

**FISCAL AND POLICY NOTE**

Senate Bill 67 (Chair, Judicial Proceedings Committee)(By Request -  
 Departmental - Transportation)

Judicial Proceedings

Environmental Matters

**Vehicle Laws - Issuance of Temporary Registration Plates by Dealers -  
 Transmission of Information and Record Keeping**

This departmental bill requires a vehicle dealer to electronically transmit vehicle, owner, insurance, and other information relevant to the issuance of temporary registration plates to the Motor Vehicle Administration (MVA) on the same day that the dealer issues the temporary registration plate. The bill also limits, to three years, the period during which a dealer is required to keep records of the temporary registration plate delivery, issuance, and other information.

**Fiscal Summary**

**State Effect:** Transportation Trust Fund (TTF) expenditures increase by about \$65,000 in FY 2011 to create a secure web site for transmission of temporary registration plate information. Revenues are not affected.

(in dollars)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	65,000	0	0	0	0
Net Effect	(\$65,000)	\$0	\$0	\$0	\$0

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

**Local Effect:** None.

**Small Business Effect:** The Maryland Department of Transportation has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment as discussed below.

## Analysis

**Current Law:** A licensed dealer may issue one temporary registration plate to the buyer of a vehicle. Before the temporary registration plate is issued, the buyer must complete a temporary registration plate application, which must then be sent from the dealer to MVA on the day that the temporary registration plate is issued.

Licensed vehicle dealers must keep permanent records of all temporary registration plates delivered to the dealer, issued by the dealer to buyers, and other relevant information required by MVA. However, dealers are only required to retain other records for three years.

**Background:** MVA advises that comprehensive electronic tracking of temporary registration plate information under the bill will enhance public safety and the safety of police officers. Currently, a police officer does not have immediate access to registration plate information of a vehicle stopped by the officer. Further access to information recorded about a vehicle's registration number may assist the efforts of police officers, as well as provide additional information about the identity of the driver.

MVA advises that dealers currently using the electronic registration and titling (ERT) system will transmit the information required under the bill through the ERT system, while all other dealers will submit the same information via a new secure MVA web site. Having electronic access to this information will also assist MVA in auditing and inventory management tasks. ERT is an MVA system available to dealers and title service agents, which permits participants to electronically apply for a Maryland title on behalf of a customer. The program also allows participants to issue license plates and registration documents directly to a customer.

**State Expenditures:** TTF expenditures increase by at least \$65,000 in fiscal 2011, which reflects the cost of establishing a secure web-based computer system for transmission of vehicle registration information by dealers that do not use the ERT system.

**Small Business Effect:** The bill may have a minimal beneficial impact on the operations of small business vehicle dealers due to the lessened requirements for recordkeeping related to temporary registration plates.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - January 19, 2010  
mpc/ljm

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Vehicle Laws – Issuance of Temporary Registration Plates by Dealers – Transmission of Information and Record Keeping

BILL NUMBER: SB 67

PREPARED BY: Maryland Department of Transportation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.