

HOUSE BILL 1361

R4

2lr3133

By: **Delegates Conway and Cane**

Introduced and read first time: February 21, 2012

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Automotive Dismantlers and Recyclers or Scrap Processors –**
3 **Disposal of Vehicles**

4 FOR the purpose of requiring an automotive dismantler and recycler or scrap
5 processor to give to certain persons under certain circumstances certain notice
6 of intent to dispose of certain vehicles; providing that an automotive dismantler
7 and recycler or scrap processor takes unencumbered title to a vehicle and may
8 immediately dispose of the vehicle under certain circumstances; and generally
9 relating to the disposal of vehicles by automotive dismantlers and recyclers or
10 scrap processors.

11 BY repealing and reenacting, with amendments,
12 Article – Transportation
13 Section 15–507
14 Annotated Code of Maryland
15 (2009 Replacement Volume and 2011 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – Transportation
18 Section 15–509
19 Annotated Code of Maryland
20 (2009 Replacement Volume and 2011 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Transportation**

24 15–507.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) Except as provided in subsection (c) of this section, any person who
2 transfers a vehicle to an automotive dismantler and recycler or scrap processor shall
3 execute an assignment and warranty of title on:

4 (1) The certificate of title issued for the vehicle by this State or any
5 other state; or

6 (2) Any other documentary evidence of ownership acceptable to the
7 Administration.

8 (b) Except as provided in subsection (c) of this section, any person who
9 transfers a vehicle to an automotive dismantler and recycler or scrap processor shall
10 deliver the certificate of title or other documentary evidence of ownership to the
11 automotive dismantler and recycler or scrap processor at the time of the transfer.

12 (c) If a person holds an assigned certificate of title or any other documentary
13 evidence of ownership acceptable to the Administration, the person:

14 (1) May transfer the vehicle to an automotive dismantler and recycler
15 or scrap processor by endorsing a reassignment and warranty of title on the forms that
16 the Administration requires; and

17 (2) Need not obtain a certificate of title in the person's own name.

18 **(D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (3)(I) OF THIS**
19 **SUBSECTION, AN AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP**
20 **PROCESSOR SHALL GIVE AT LEAST 10 DAYS' NOTICE OF INTENT TO DISPOSE OF**
21 **A VEHICLE THAT IT OBTAINS UNDER THIS SECTION.**

22 **(2) THE NOTICE SHALL BE SENT BY CERTIFIED MAIL, RETURN**
23 **RECEIPT REQUESTED, BEARING A POSTMARK FROM THE UNITED STATES**
24 **POSTAL SERVICE, TO:**

25 **(I) ANY SECURED PARTY FOR THE VEHICLE, AS SHOWN ON**
26 **ADMINISTRATION RECORDS; OR**

27 **(II) ANY OTHER PERSON WHO IS ENTITLED TO POSSESSION**
28 **OF THE VEHICLE AND WHOSE ADDRESS IS KNOWN OR REASONABLY CAN BE**
29 **OBTAINED.**

30 **(3) THE AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP**
31 **PROCESSOR TAKES UNENCUMBERED TITLE TO THE VEHICLE AND MAY**
32 **IMMEDIATELY DISPOSE OF THE VEHICLE IF:**

1 **(I) 1. ADMINISTRATION RECORDS DO NOT SHOW ANY**
2 **SECURED PARTY FOR THE VEHICLE; AND**

3 **2. NO OTHER PERSON WHOSE ADDRESS IS KNOWN**
4 **OR REASONABLY CAN BE OBTAINED IS ENTITLED TO POSSESSION OF THE**
5 **VEHICLE; OR**

6 **(II) 1. THE AUTOMOTIVE DISMANTLER AND RECYCLER**
7 **OR SCRAP PROCESSOR HAS COMPLIED WITH THIS SUBSECTION; AND**

8 **2. THE VEHICLE HAS NOT BEEN RECOVERED OR**
9 **RECLAIMED, BEFORE THE END OF THE 10-DAY PERIOD SPECIFIED IN THE**
10 **NOTICE, BY A SECURED PARTY OR OTHER PERSON ENTITLED TO ITS**
11 **POSSESSION.**

12 15-509.

13 (a) This section does not apply to any abandoned vehicle that is 8 years old
14 or older and is totally inoperable.

15 (b) If an automotive dismantler and recycler or scrap processor takes
16 possession of a vehicle and does not receive a certificate of title or other documentary
17 evidence of ownership acceptable to the Administration, the automotive dismantler
18 and recycler or scrap processor shall comply with this section.

19 (c) After the vehicle has been in the possession of the automotive dismantler
20 and recycler or scrap processor for more than 30 days, the automotive dismantler and
21 recycler or scrap processor shall give at least 10 days' notice of intent to dispose of the
22 vehicle. The notice shall be sent by certified mail, return receipt requested, bearing a
23 postmark from the United States Postal Service, to:

24 (1) The owner of the vehicle and any secured party, as shown on the
25 records of the Administration; or

26 (2) Any other person who is entitled to possession of the vehicle and
27 whose address is known or reasonably can be obtained.

28 (d) (1) The automotive dismantler and recycler or scrap processor takes
29 unencumbered title to the vehicle, without having to obtain a certificate of title for it
30 in his own name, if:

31 (i) He has complied with this section; and

32 (ii) Except as provided in paragraph (2) of this subsection, the
33 vehicle has not been recovered or reclaimed, before the end of the 10-day period

1 specified in the notice, by the owner, secured party, or other person entitled to its
2 possession.

3 (2) If the address of the owner, secured party, or other person entitled
4 to possession of the vehicle cannot be obtained from the records of the Administration
5 or by the exercise of reasonable diligence, the automotive dismantler and recycler or
6 scrap processor takes unencumbered title to the vehicle, without having to obtain a
7 certificate of title in his own name, after the vehicle has been in his possession for 30
8 days.

9 (e) If an automotive dismantler and recycler or scrap processor takes title to
10 a vehicle under this section, the automotive dismantler and recycler or scrap processor
11 shall certify this fact to the Administration. The certification shall be made in the form
12 that the Administration requires and sent to the Administration within 5 days after
13 the automotive dismantler and recycler or scrap processor takes title.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2012.