

SENATE BILL 560

R4

2lr2654

By: **Senators Forehand, Frosh, Manno, Ramirez, and Stone**

Introduced and read first time: February 3, 2012

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Title and Registration – Transfer to Surviving Spouse**

3 FOR the purpose of establishing that when the interest in a vehicle of one joint owner
4 passes by operation of law to another joint owner who is the surviving spouse,
5 the surviving spouse is not required to apply for a new certificate of title or
6 submit a certain certificate of title to the Motor Vehicle Administration until a
7 certain time; authorizing a surviving spouse to drive a certain vehicle and allow
8 the vehicle to be driven on a highway until a certain time without applying for a
9 certain registration if the interest in the vehicle passes to the surviving spouse
10 through joint ownership; prohibiting the Administration, on the death of a joint
11 owner of a vehicle, from charging a fee to another joint owner who is the
12 surviving spouse for the issuance of a new certificate of title for the vehicle; and
13 generally relating to the title and registration of a vehicle transferred to a
14 surviving spouse.

15 BY repealing and reenacting, with amendments,
16 Article – Transportation
17 Section 13–114, 13–504, 13–801, and 13–802
18 Annotated Code of Maryland
19 (2009 Replacement Volume and 2011 Supplement)

20 BY repealing and reenacting, without amendments,
21 Article – Transportation
22 Section 13–805
23 Annotated Code of Maryland
24 (2009 Replacement Volume and 2011 Supplement)

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

27 **Article – Transportation**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 13-114.

2 (a) Except as otherwise provided in this section, if the interest of an owner in
3 a vehicle for which a certificate of title has been issued passes to another person other
4 than by voluntary transfer, the transferee shall present to the Administration the last
5 certificate of title for the vehicle, if available.

6 (b) Except as otherwise provided in this section, if the interest of an owner in
7 a vehicle for which a certificate of title has been issued passes to another person other
8 than by voluntary transfer, the transferee shall apply for a new certificate of title.

9 (c) (1) The application for a new certificate of title under subsection (b) of
10 this section shall be accompanied by such instruments or documents of authority or
11 certified copies of them as are sufficient in law or required by law to evidence or effect
12 a transfer of title or interest in or to chattels in such case.

13 (2) A written assignment of title or interest is not required if the prior
14 owner's title or interest has passed to the transferee as a result of a judicial decree,
15 order, or proceeding.

16 (d) (1) If the interest of an owner in a vehicle for which a certificate of
17 title has been issued passes to a legatee or distributee as a result of testamentary
18 disposition or intestate devolution:

19 (i) An application for a new certificate of title need not be made
20 until the expiration of the last annual registration in the name of the deceased owner;
21 and

22 (ii) The certificate of title need not be submitted to the
23 Administration until the application for a new certificate of title is made.

24 (2) If title is assigned properly by the personal representative of the
25 deceased owner, a certificate of letters testamentary or of administration issued by a
26 court of competent jurisdiction in this State is sufficient authority for the
27 Administration to transfer the title of the vehicle of a deceased owner.

28 (e) (1) The Administration may transfer on its records the ownership of a
29 vehicle that has been repossessed by a secured party, if the secured party submits to
30 the Administration a certification that states:

31 (i) That the secured party has a security interest in the vehicle;

32 (ii) That, on the basis of the security agreement or other lawful
33 basis, the secured party has a right to the possession of and title to the vehicle;

34 (iii) That the secured party has possession of the vehicle; and

1 (iv) Any other information that the Administration requires.

2 (2) On submission of the certification to it, the Administration may
3 issue a new certificate of title if it is satisfied that the secured party is entitled to one.

4 **(F) IN THE CASE OF A VEHICLE FOR WHICH A CERTIFICATE OF TITLE**
5 **HAS BEEN ISSUED TO MARRIED INDIVIDUALS AS JOINT OWNERS, IF THE**
6 **INTEREST IN THE VEHICLE OF ONE OF THE JOINT OWNERS WHO HAS DIED**
7 **PASSES BY OPERATION OF LAW TO THE SURVIVING SPOUSE:**

8 **(1) AN APPLICATION FOR A NEW CERTIFICATE OF TITLE NEED**
9 **NOT BE MADE UNTIL THE EXPIRATION OF THE LAST REGISTRATION IN THE**
10 **NAME OF THE JOINT OWNERS; AND**

11 **(2) THE CERTIFICATE OF TITLE NEED NOT BE SUBMITTED TO THE**
12 **ADMINISTRATION UNTIL THE APPLICATION FOR A NEW CERTIFICATE OF TITLE**
13 **IS MADE.**

14 13-504.

15 (a) Except as otherwise provided in this section, if the title or interest of an
16 owner in a registered vehicle passes to another person other than by voluntary
17 transfer:

18 (1) The registration of the vehicle expires; and

19 (2) The vehicle may not be driven on a highway until the person
20 entitled to possession of the vehicle applies for and obtains a new registration of the
21 vehicle.

22 (b) However, the person entitled to possession of the vehicle, or his
23 authorized representative, may drive the vehicle on highways in this State for a
24 distance of not more than 200 miles, but only from the place that the person or his
25 authorized representative obtained possession of the vehicle to the person's place of
26 business, residence, or other place where the vehicle is to be kept.

27 (c) During the operation of a vehicle described in subsection (b) of this
28 section, the registration plates issued to the former owner may be displayed on the
29 vehicle.

30 (d) After the operation of a vehicle described in subsection (b) of this section
31 is completed or, even before this operation is completed, on request of the former
32 owner or the Administration, the person who obtained possession of the vehicle shall
33 return its registration plates to the former owner or to the Administration.

1 (e) After 24 hours of the earlier of the request or the completion of the
2 operation described in subsection (b) of this section, no person, other than the person
3 to whom the registration plates originally were issued, may have the registration
4 plates in his possession, whether or not they are in use.

5 (f) If the title or interest of an owner in a registered vehicle passes to a
6 legatee or distributee as a result of testamentary disposition or intestate devolution,
7 the personal representative, legatee, or distributee may drive the vehicle and permit it
8 to be driven on the highways, without applying for a new registration, until the
9 expiration of the last annual registration in the name of the deceased owner.

10 **(G) IF THE INTEREST IN A REGISTERED VEHICLE OF A JOINT OWNER**
11 **WHO HAS DIED PASSES TO THE SURVIVING SPOUSE THROUGH JOINT**
12 **OWNERSHIP, THE SURVIVING SPOUSE MAY DRIVE THE VEHICLE AND ALLOW IT**
13 **TO BE DRIVEN ON A HIGHWAY, WITHOUT APPLYING FOR A NEW REGISTRATION,**
14 **UNTIL THE EXPIRATION OF THE LAST REGISTRATION IN THE NAME OF THE**
15 **JOINT OWNERS.**

16 13-801.

17 [The] ANY APPLICABLE fees specified in this part for a certificate of title shall
18 be paid to the Administration before issuance of the certificate.

19 13-802.

20 (a) Except as provided in subsection (b) of this section and § 13-805 of this
21 subtitle, the fee for each certificate of title issued under this title is \$100.

22 (b) (1) For fiscal years 2012 through 2014 only, the fee for each certificate
23 of title issued for a rental vehicle is \$50.

24 (2) ON THE DEATH OF A JOINT OWNER OF A VEHICLE, THE
25 ADMINISTRATION MAY NOT CHARGE A FEE FOR A NEW CERTIFICATE OF TITLE
26 ISSUED FOR THE VEHICLE TO ANOTHER JOINT OWNER WHO IS THE SURVIVING
27 SPOUSE.

28 13-805.

29 For the issuance of a duplicate certificate of title, issued under § 13-111 of this
30 title to replace a lost, stolen, or damaged certificate of title, the fee shall be established
31 by the Administration.

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