

Department of Legislative Services  
Maryland General Assembly  
2012 Session

FISCAL AND POLICY NOTE

House Bill 768 (Delegate Niemann)  
Environmental Matters

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Vehicle Laws - Junk and Abandoned Vehicles - Penalties for Violations

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This bill expands the application of an existing administrative penalty and enhances the misdemeanor penalties for violations of Maryland Vehicle Law provisions pertaining to automotive dismantler and recycler or scrap processors (ADR/SPs).

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Fiscal Summary

**State Effect:** Potential minimal increase in general fund revenues and expenditures due to the bill's penalty provisions beginning in FY 2013. Transportation Trust Fund (TTF) revenues also increase minimally beginning in FY 2013 due to the expansion of existing administrative penalties.

**Local Effect:** Potential minimal increase in expenditures due to the bill's penalty provisions. Revenues are not affected.

**Small Business Effect:** Minimal.

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Analysis

**Bill Summary/Current Law:** Currently, the administrative penalty for an ADR/SP licensed by the Motor Vehicle Administration (MVA) that violates any provisions within the subtitle of the Maryland Vehicle Law pertaining to the licensing and regulation of ADR/SPs is a fine of up to \$1,000. This penalty may be imposed instead of, or in addition to, the suspension or revocation of, or refusal to renew, a license.

Currently, the generally applicable misdemeanor penalty for violations of the Maryland Vehicle Law is a fine of up to \$500. However, the specific penalties for conducting the

business of an ADR/SP without a license, or engaging in the business of acquiring, or offering to purchase or remove vehicles for dismantling without a license, is currently a fine of up to \$1,000, imprisonment for up to six months, or both. For any subsequent offense, the penalty is a fine of up to \$2,000, imprisonment for up to one year, or both.

Currently, a person who possesses or on whose property is found an abandoned vehicle and any person who owns a vehicle, for which the certificate of title is defective, lost, or destroyed, may apply to the police department of the jurisdiction in which the vehicle is located for authority to transfer the vehicle to an ADR/SP. If the application is properly executed, the person is authorized to transfer the vehicle, the relevant notice procedures are followed, and the vehicle is not reclaimed, then the person may transfer the vehicle to an ADR/SP for proper disposal. Also, specified persons currently may transfer vehicle “hulks” (vehicles more than eight years old with no engine or otherwise totally inoperable) under an authorized indemnity agreement without providing notice.

A violation of these provisions pertaining to the disposal of abandoned vehicles is currently treated as a general violation of the Maryland Vehicle Law subjecting the offender to a fine of up to \$500 on conviction. However, the bill increases the misdemeanor penalty for a violation of these provisions to conform with the current misdemeanor penalties discussed above for conducting the business of an ADR/SP or engaging in the business of acquiring, or offering to purchase or remove vehicles for dismantling, without a license. The bill also expands the currently applicable administrative penalty of a fine of up to \$1,000 for an ADR/SP to a violation of these provisions.

Finally, the bill also expands the application of the misdemeanor penalties (a fine of up to \$1,000, imprisonment for up to six months, or both for a first offense; or a fine of up to \$2,000, imprisonment for up to one year, or both for any subsequent offense) to anyone convicted of advertising for the purchase, towing, or removal of junk or abandoned vehicles without a license or without displaying the license number in the advertisement. Currently, a violation of these requirements is subject to the generally applicable misdemeanor penalty of up to \$500, as well as the administrative penalty of a fine of up to \$1,000.

**State Revenues:** General fund revenues may increase minimally as a result of the bill’s monetary penalty provisions from cases heard in the District Court. The bill doubles for a first offense and quadruples for any subsequent offense the maximum fine violations generally pertaining to the disposal of abandoned vehicles and to advertising for the purchase, towing, or removal of junk or abandoned vehicles without a license or without displaying the license number in the advertisement.

TTF revenues also increase minimally as the bill expands the administrative penalty of a fine of up to \$1,000 that currently applies generally to ADR/SP licensing violations to also apply to violations of provisions generally pertaining to the disposal of abandoned vehicles.

**State Expenditures:** General fund expenditures may increase minimally as a result of the bill's expansion of existing incarceration penalties due to more people being committed to Division of Correction facilities for convictions in Baltimore City. However, the number of people convicted under the bill's expansion of existing incarceration penalties is expected to be negligible. Generally, persons serving a sentence of one year or less in a jurisdiction other than Baltimore City are sentenced to a local detention facility. The Baltimore City Detention Center, a State-operated facility, is used primarily for pretrial detentions.

**Local Expenditures:** Expenditures may increase minimally as a result of the bill's expansion of existing incarceration penalties. Counties pay the full cost of incarceration for people in their facilities for the first 12 months of the sentence. Per diem operating costs of local detention facilities have ranged from approximately \$60 to \$160 per inmate in recent years.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Baltimore, Carroll, and Harford counties; Department of State Police; Maryland Department of Transportation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 2012  
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