Department of Legislative Services

Maryland General Assembly 2019 Session

FISCAL AND POLICY NOTE Third Reader

Senate Bill 84

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

Judicial Proceedings

Environment and Transportation

Vehicle Laws - Certificate of Title Application - Signature Requirement

This departmental bill repeals a requirement that a signature be made in ink on an application for a certificate of title of a vehicle.

Fiscal Summary

State Effect: None. The change is procedural in nature and does not directly affect governmental finances.

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). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law/Background: An application for a certificate of title of a vehicle must be made by the owner of the vehicle on the required form. The application must be signed in ink by (1) each owner who is an individual; (2) the individual cosigning the application on behalf of a minor, as specified; (3) an officer or authorized agent of the owner, if the owner is a business, firm, association, or corporation; (4) a partner or joint venture, if the owner is a partnership or joint venture; (5) an officer or authorized agent, if the owner is an unincorporated association, joint stock company, or other group described in § 6-406 of the Courts and Judicial Proceedings Article; or (6) a trustee, if the owner is a trust.

The Motor Vehicle Administration (MVA) advises that, with upcoming information technology system changes, it will have greater system capability for customers to apply for transactions over the web and to submit applications and upload other supporting documents. However, MVA notes that the existing statutory ink signature requirement is a barrier to this electronic documentation effort; removing the requirement will allow more documents to be accepted electronically.

MVA further advises that the change is consistent with the Maryland Uniform Electronic Transactions Act, which specifies in § 21-106(d) of the Commercial Law Article that, if a law requires a signature, an electronic signature satisfies the law.

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 21, 2019 mm/ljm Third Reader - February 1, 2019

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Motor Vehicle Administration – Vehicle Title Application –

Signature Requirement

BILL NUMBER: SB 84

PREPARED BY: Maryland Department of Transportation / Motor Vehicle

Administration

(Dept./Agency)

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

X 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