

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 410 (Senator Benson)
Judicial Proceedings

Vehicle Laws - Unauthorized Registration Plates - Prohibition

This bill prohibits a person from *knowingly* displaying on or using, possessing, or purchasing for a vehicle any registration plate that (1) is not issued for the vehicle or (2) is not otherwise lawfully displayed on or used, possessed, or purchased for the vehicle pursuant to State law. A person convicted of a violation is subject to a fine of up to \$10,000 and/or imprisonment for up to 90 days.

Fiscal Summary

State Effect: General fund revenues likely increase, potentially significantly, due to the bill's penalty provisions, as discussed below. General fund expenditures may increase minimally due to the bill's incarceration penalty. Enforcement can be handled with existing resources.

Local Effect: Potential minimal increase in revenues and expenditures due to the bill's penalty provisions. Enforcement can be handled with existing resources.

Small Business Effect: None.

Analysis

Current Law: A person may not display on (or for) a vehicle any registration plate that is neither (1) issued for the vehicle nor (2) otherwise lawfully used on (or for) the vehicle under State law. A violation is a misdemeanor with a maximum \$500 fine. The prepayment penalty is \$290 (with no points assessed against the individual's driver's license).

State/Local Fiscal Effect: The new prohibition established by the bill likely affects general fund revenues, potentially significantly, given the much higher maximum fine. However, the magnitude of any such impact is difficult to predict without experience under the bill or information on the charges, prepayments, and convictions for the existing offense. Nevertheless, the Department of Legislative Services advises that the total number of individuals charged with either prohibition is likely similar to the number currently charged with the existing prohibition, assuming those with knowledge of criminality would be charged under the bill rather than current law. Further, under the bill, an offender must appear in court to answer the charge and may not prepay any penalty. Because the District Court has concurrent jurisdiction with the circuit court for the new offense (due to the maximum fine being set above the \$2,500 threshold), a portion of the violations, at the discretion of the prosecutor, may be brought in circuit court.

For illustrative purposes only, general fund revenues could increase by as much as \$1.21 million annually under the following assumptions:

- 1,000 citations are issued each year under the bill;
- all must appear in court and all trials are in District Court;
- one-half (500) are found guilty after trial;
- an average fine of \$3,000 (*i.e.*, 30% of the maximum monetary penalty) is assessed after conviction, resulting in \$1.5 million in fine revenue; and
- all 1,000 of them would have otherwise been charged with the existing offense (which does not require knowledge of criminality) and would have either prepaid (at \$290) or been found guilty after contesting the charge in District Court (possibly paying as much as \$500 but at least \$290).

Under the above scenario, general fund revenues would have totaled at least \$290,000 under current law but could total \$1.5 million under the bill for the same group of offenders (an increase of at most \$1.21 million). If any prosecutors decide to bring a case in circuit court instead of the District Court, fine revenues collected on conviction would instead accrue to local governments.

The current offense does not have an incarceration penalty. To the extent offenders under the bill are convicted of a violation and sentenced to imprisonment, general fund expenditures increase minimally, but only if more people are committed to State correctional facilities for convictions in Baltimore City. 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 Pretrial Complex, a State-operated facility, is used primarily for pretrial detentions.

Otherwise, local expenditures may increase. 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 \$90 to \$300 per incarcerated individual in recent years.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 49 (Delegates Taveras and T. Morgan) - Environment and Transportation.

Information Source(s): Maryland State Commission on Criminal Sentencing Policy; Judiciary (Administrative Office of the Courts); Department of State Police; Maryland Department of Transportation; Department of Legislative Services

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km/ljm

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