



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

TESTIMONY

SB 863: Motor Vehicles - Rental Fleet Vehicles – Registration

Good afternoon, Chairman Smith, Vice Chair, and members of the Senate Judicial Proceedings Committee.

I am pleased to sponsor **SB 863, *Motor Vehicles – Rental Fleet Vehicles – Registration***. This bill provides the Motor Vehicle Administration (MVA) with the necessary framework to allow rental fleet vehicle owners to:

1. Utilize stickerless vehicle registration.
2. Obtain dedicated plates for their fleet vehicles.

This bill modernizes our vehicle laws to accommodate the unique operational needs of rental fleets. As you can imagine, rental fleets are inherently dynamic, frequently moving across state lines. Traditional vehicle registration methods, which rely on physical stickers placed on plates, are ill-suited for such a fluid system. Applying and tracking stickers for thousands of vehicles spread across multiple jurisdictions creates unnecessary logistical challenges, increasing administrative burdens for both rental companies and state agencies.

The passage of this bill would provide a modern and efficient solution. Fleet plates would serve as a uniform and easily identifiable marker for rental vehicles, simplifying law enforcement identification and enhancing compliance monitoring. Additionally, eliminating the need for physical stickers reduces the risk of loss, damage, or delays associated with mailing, receiving, and applying registration tags. This streamlined approach allows rental companies to redeploy vehicles swiftly based on market demand.

Beyond operational efficiency, this initiative offers significant financial benefits. The state could realize cost savings by eliminating the production and mailing of physical registration stickers. Furthermore, the proposal includes a fee for the initial issuance of dedicated fleet plates for vehicles registered under this system creating a new revenue stream for the state, however small it may be.

In conclusion, transitioning to stickerless registration and dedicated fleet plates for rental car companies aligns with modern transportation needs, reduces logistical complexities, and creates a win-win scenario for both the rental industry and the state. For these reasons, I respectfully request a favorable report on **SB 863**.