

March 5, 2025

The Honorable Will Smith  
Chair, Judicial Proceedings Committee  
2 Miller Senate Office Building  
Annapolis, MD 21401

***RE: Letter of Information – Senate Bill 863 – Motor Vehicles – Rental Fleet Vehicles – Registration***

Dear Chair Smith and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on Senate Bill 863 and offers the following information for the Committee’s consideration.

SB 863 would require the Maryland Motor Vehicle Administration (MVA) to issue distinctive registration plates to motor vehicles owned and registered to rental companies with at least five vehicles in their fleet. It further eliminates the registration tab required to display on the rear tag indicating when the registration expires and requires, to the extent practicable, that the registration expiration date for each vehicle be the same.

Historically, the MVA offered distinctive registration plates for rental vehicles, starting the plates with “DR” followed by five numbers. That was discontinued under emergency legislation in 1994 following events where tourists were targeted in high-profile incidents in Florida based on their identifying registration plates. Despite these potential risks, several states have developed distinctive plates or ways to identify rental fleet vehicles. At present, at least three states offer a distinctive plate for rental vehicles. These include Colorado, Indiana, and Illinois. Michigan began to offer these plates in 2024 with previously registered vehicles left as currently registered at time of transition. Louisiana also distributes plates with “Commercial” stamped across the bottom of a fleet rental vehicle registration plate, while Arizona, Georgia, and Ohio issue a sticker that indicates the vehicle is a fleet rental on its registration tab. Alternatively, Florida indicates this status with a distinctive “PM” on the registration tab standing for “permanent” and issues these strictly to fleet rental vehicles.

The MVA offers customers over 1,000 distinct plate options and will work with its supplier to design and offer one for rental agencies that would otherwise qualify under HB 1464. The registration process will otherwise remain much the same for first-time registration and subsequent renewals, though new plates will need to be issued at the time of renewal for existing registered fleet vehicles.

SB 863 could further add flexibility and cost savings, including for those costs associated with postage and mailings, by allowing at-home or business printing of the registration card. It adds

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logistical and potential financial savings for the rental agency as well as it must locate the vehicle that may be in use or in another State and subject to a new rental agreement at any time while attempting to deliver the physical registration card to the vehicle.

For these reasons, the Maryland Department of Transportation respectfully requests that the Committee consider this information when deliberating Senate Bill 863.

Respectfully submitted,

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