

Bulletin

August 9, 2006

D-08-06-01

BULLETIN TO:

ALL DEALERS, TITLE SERVICES AND
AUTOMOTIVE DISMANTLER & RECYCLERS

1. 2006 Legislation

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This is a summary of some of the bills that passed the General Assembly during the 2006 Session. These bills may affect the manner in which you serve your consumers and process MVA transactions.

HB 051 – Motor Vehicle Excise Tax – Trailers:

This bill lowers the minimum fair market value for excise tax calculation to \$320 from \$640 for private sales of trailers. Therefore, the minimum excise tax (based on a 5% rate) that an individual would pay for a trailer has been reduced from \$32 to \$16.

Effective: October 1, 2006

**Contact: Joyce Rossmark
410-768-7062**

HB 143 – Motor Scooters – Motorized Minibikes – Regulations:

This bill repeals the existing definition of “minibike” and defines “motorized minibike” as a motor vehicle that has 2 or 3 wheels and does not have to be registered with the MVA. A motorized minibike is not a motor scooter, a moped, or a farm tractor. The bill authorizes a local authority to require a permit and impose a permit fee for the use of a motorized minibike.

Effective: October 1, 2006

**Contact: Joyce Rossmark
410-768-7062**

SB 184 – Vehicle Laws – Historic Motor Vehicles - Registration:

The bill alters the definition of a historic motor vehicle (Class L) to include a vehicle that is at least 20 years old. The bill also creates a new sub-classification of historic vehicles, consisting of vehicles that were manufactured in a model

year at least 60 years prior to the current model year. Vehicles in this sub-classification will be subject to a one-time permanent registration fee of \$50.

Registrations are not transferable. When such a vehicle is transferred, the new owner must apply for a new historic vehicle permanent registration.

**Effective: January 1, 2007 Contact: Joyce Rossmark
410-768-7062**

SB 328 – Vehicle laws – Motor Vehicles Operated Exclusively on Islands – Registration:

This bill alters the definition of a Class K (farm area) vehicle to include an island vehicle. The \$2.50 registration fee applies to an island vehicle. An island vehicle is a motor vehicle that, other than a golf cart, is operated exclusively on an island without State maintained highways that is not accessible by a highway and contains less than 20 miles of highways. An island vehicle may not be operated on a highway in the State that is not on such an island. An island vehicle does not need a safety inspection prior to purchase or registration. The Motor Vehicle Administration (MVA) may not offer a temporary Class K (farm area/island) registration for an island vehicle.

**Effective: October 1, 2006 Contact: Joyce Rossmark
410-768-7062**

SB 456 – Vehicle Laws – Special Dealer Registration Plates – Authorized Uses:

This bill authorizes a licensed motor vehicle dealer to lend a vehicle with Class 1A (special dealer) registration plates to an educational institution that provides accommodations to the deaf and hearing impaired for driver's education instruction pursuant to a manufacturer sponsored drivers ed loan program approved by the Administration.

**Effective: October 1, 2006 Contact: Cheryl Lesage
410-787-7950**

SB 634 – Vehicle Laws – Vehicle Dealers – Succession

This bill clarifies a manufacturer, distributor, and factory branches' obligations to a franchised dealer relating to use of dealership locations, owner succession, performance measures, and in general stating their obligations with respect to their franchise agreements and persons who represent their interests.

**Effective: October 1, 2006 Contact: Cheryl Lesage
410-787-7950**