

Bulletin

June 4, 2010

D-6-10-03

Bulletin To: All Dealers, Title Services and
Auto Dismantler & Recyclers

From: Brenda Scheydt, Manager
Business Licensing and Consumer Services

RE: Legislation 2010

Following are the highlights of the bills that have passed and have a direct impact on dealerships.

VEHICLE LAWS

HB 469 – Motor Vehicle Excise Tax-Tax Credit for Electric Vehicles

The bill creates a tax exemption of up to \$2000 for qualified plug-in electric vehicles. The credit is limited to one vehicle per individual and 10 vehicles per business entity. The credit is available for qualified vehicles titled on or after October 1, 2010, and sunsets June 30, 2013.

Effective October 1, 2010

HB 825 - Vehicle Laws - Required Security - Minimum Amounts

This bill raises the minimum liability amounts of auto insurance for claims of bodily injury or death arising from a motor vehicle accident from \$20,000 to \$30,000 for one person and from \$40,000 to \$60,000 for two or more persons.

Effective January 1, 2011

HB 1199 - Motor Vehicles - Salvage - Standards and Requirements

This bill requires all vehicles that are acquired by an insurance company as a result of a total loss claim settlement to be branded as salvage regardless of the percentage of damage to the vehicle (with the sole exception being recovered stolen vehicles with less than 75% damage). The bill also requires the Motor Vehicle Administration in conjunction with the Maryland State Police and other interested parties, to develop regulations to exclude certain cosmetic damages when calculating the 75% damage threshold.

Effective October 1, 2010

SB 67 - Vehicle Laws - Issuance of Temporary Registration Plates by Dealers - Transmission of Information and Record Keeping

This bill requires car dealers to transmit vehicle and registration information electronically to the MVA on the same day they issue a 60-day temporary registration and to keep temporary registration plate records for three years instead of permanently.

Effective October 1, 2010

SB 85 - Vehicle Laws - Electronic Transmission of Title Information by Dealers

This departmental bill changes the law to allow the transmission of Electronic Registration and Titling System (ERT) data and funds on the 30th day after the date of delivery without incurring Late Titling Fines.

Effective October 1, 2010

SB 466 - Vehicle Laws - Off-Highway Recreational Vehicles - Titling

This emergency bill creates a definition for Off-Highway Recreational Vehicles (OHRV), commonly known as an ATV or snowmobile. The OHRV' are required to be titled and a titling sticker will be issued. Therefore, an excise tax is imposed on OHRVs that are purchased on or after October 1, 2010. The tax is calculated by purchase price or by using the fair market value (minimum \$320) whichever is greater. The titling transaction and funds must be processed electronically by utilizing the Electronic Registration and Titling System (ERT).

Emergency Bill

MISCELLANEOUS BILLS

HB 674 – High Occupancy Vehicle (HOV) lanes – use by Plug-in Vehicles

House Bill 674 allows plug-in vehicles to travel on High Occupancy Vehicle (HOV) lanes, regardless of the number of occupants in the vehicle. It allows the MVA to charge a \$20 fee for issuing HOV-lane permits to plug-in vehicle owners. The Maryland State Highway Administration may limit the number of permits issued to ensure that HOV lanes are not degraded by overuse. The proposal terminates on September 30, 2013.

Effective October 1, 2010

SB 344 - Motor Vehicles - Limited Speed Vehicles - Requirements and Prohibitions

This bill prohibits a person from driving a vehicle with limited speed capability on certain highways. A dealer must inform the buyer of the limitations and must sell the vehicle with an emblem designating it as a "limited speed vehicle."

Effective October 1, 2010

If you have any questions regarding this Bulletin, please contact Ms. Sarah Moore at (410) 424-3060 or by email to smoore1@mva.maryland.gov.

