

SENATE BILL 560

R4

2lr2654

By: **Senators Forehand, Frosh, Manno, Ramirez, and Stone**

Introduced and read first time: February 3, 2012

Assigned to: Judicial Proceedings

Committee Report: Favorable

Senate action: Adopted

Read second time: March 13, 2012

CHAPTER _____

1 AN ACT concerning

2 **Vehicle Laws – Title and Registration – Transfer to Surviving Spouse**

3 FOR the purpose of establishing that when the interest in a vehicle of one joint owner
4 passes by operation of law to another joint owner who is the surviving spouse,
5 the surviving spouse is not required to apply for a new certificate of title or
6 submit a certain certificate of title to the Motor Vehicle Administration until a
7 certain time; authorizing a surviving spouse to drive a certain vehicle and allow
8 the vehicle to be driven on a highway until a certain time without applying for a
9 certain registration if the interest in the vehicle passes to the surviving spouse
10 through joint ownership; prohibiting the Administration, on the death of a joint
11 owner of a vehicle, from charging a fee to another joint owner who is the
12 surviving spouse for the issuance of a new certificate of title for the vehicle; and
13 generally relating to the title and registration of a vehicle transferred to a
14 surviving spouse.

15 BY repealing and reenacting, with amendments,
16 Article – Transportation
17 Section 13–114, 13–504, 13–801, and 13–802
18 Annotated Code of Maryland
19 (2009 Replacement Volume and 2011 Supplement)

20 BY repealing and reenacting, without amendments,
21 Article – Transportation
22 Section 13–805
23 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2009 Replacement Volume and 2011 Supplement)

2 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
3 MARYLAND, That the Laws of Maryland read as follows:

4 **Article – Transportation**

5 13–114.

6 (a) Except as otherwise provided in this section, if the interest of an owner in
7 a vehicle for which a certificate of title has been issued passes to another person other
8 than by voluntary transfer, the transferee shall present to the Administration the last
9 certificate of title for the vehicle, if available.

10 (b) Except as otherwise provided in this section, if the interest of an owner in
11 a vehicle for which a certificate of title has been issued passes to another person other
12 than by voluntary transfer, the transferee shall apply for a new certificate of title.

13 (c) (1) The application for a new certificate of title under subsection (b) of
14 this section shall be accompanied by such instruments or documents of authority or
15 certified copies of them as are sufficient in law or required by law to evidence or effect
16 a transfer of title or interest in or to chattels in such case.

17 (2) A written assignment of title or interest is not required if the prior
18 owner's title or interest has passed to the transferee as a result of a judicial decree,
19 order, or proceeding.

20 (d) (1) If the interest of an owner in a vehicle for which a certificate of
21 title has been issued passes to a legatee or distributee as a result of testamentary
22 disposition or intestate devolution:

23 (i) An application for a new certificate of title need not be made
24 until the expiration of the last annual registration in the name of the deceased owner;
25 and

26 (ii) The certificate of title need not be submitted to the
27 Administration until the application for a new certificate of title is made.

28 (2) If title is assigned properly by the personal representative of the
29 deceased owner, a certificate of letters testamentary or of administration issued by a
30 court of competent jurisdiction in this State is sufficient authority for the
31 Administration to transfer the title of the vehicle of a deceased owner.

32 (e) (1) The Administration may transfer on its records the ownership of a
33 vehicle that has been repossessed by a secured party, if the secured party submits to
34 the Administration a certification that states:

- 1 (i) That the secured party has a security interest in the vehicle;
- 2 (ii) That, on the basis of the security agreement or other lawful
3 basis, the secured party has a right to the possession of and title to the vehicle;
- 4 (iii) That the secured party has possession of the vehicle; and
- 5 (iv) Any other information that the Administration requires.

6 (2) On submission of the certification to it, the Administration may
7 issue a new certificate of title if it is satisfied that the secured party is entitled to one.

8 **(F) IN THE CASE OF A VEHICLE FOR WHICH A CERTIFICATE OF TITLE**
9 **HAS BEEN ISSUED TO MARRIED INDIVIDUALS AS JOINT OWNERS, IF THE**
10 **INTEREST IN THE VEHICLE OF ONE OF THE JOINT OWNERS WHO HAS DIED**
11 **PASSES BY OPERATION OF LAW TO THE SURVIVING SPOUSE:**

12 **(1) AN APPLICATION FOR A NEW CERTIFICATE OF TITLE NEED**
13 **NOT BE MADE UNTIL THE EXPIRATION OF THE LAST REGISTRATION IN THE**
14 **NAME OF THE JOINT OWNERS; AND**

15 **(2) THE CERTIFICATE OF TITLE NEED NOT BE SUBMITTED TO THE**
16 **ADMINISTRATION UNTIL THE APPLICATION FOR A NEW CERTIFICATE OF TITLE**
17 **IS MADE.**

18 13-504.

19 (a) Except as otherwise provided in this section, if the title or interest of an
20 owner in a registered vehicle passes to another person other than by voluntary
21 transfer:

22 (1) The registration of the vehicle expires; and

23 (2) The vehicle may not be driven on a highway until the person
24 entitled to possession of the vehicle applies for and obtains a new registration of the
25 vehicle.

26 (b) However, the person entitled to possession of the vehicle, or his
27 authorized representative, may drive the vehicle on highways in this State for a
28 distance of not more than 200 miles, but only from the place that the person or his
29 authorized representative obtained possession of the vehicle to the person's place of
30 business, residence, or other place where the vehicle is to be kept.

31 (c) During the operation of a vehicle described in subsection (b) of this
32 section, the registration plates issued to the former owner may be displayed on the
33 vehicle.

1 (d) After the operation of a vehicle described in subsection (b) of this section
2 is completed or, even before this operation is completed, on request of the former
3 owner or the Administration, the person who obtained possession of the vehicle shall
4 return its registration plates to the former owner or to the Administration.

5 (e) After 24 hours of the earlier of the request or the completion of the
6 operation described in subsection (b) of this section, no person, other than the person
7 to whom the registration plates originally were issued, may have the registration
8 plates in his possession, whether or not they are in use.

9 (f) If the title or interest of an owner in a registered vehicle passes to a
10 legatee or distributee as a result of testamentary disposition or intestate devolution,
11 the personal representative, legatee, or distributee may drive the vehicle and permit it
12 to be driven on the highways, without applying for a new registration, until the
13 expiration of the last annual registration in the name of the deceased owner.

14 **(G) IF THE INTEREST IN A REGISTERED VEHICLE OF A JOINT OWNER**
15 **WHO HAS DIED PASSES TO THE SURVIVING SPOUSE THROUGH JOINT**
16 **OWNERSHIP, THE SURVIVING SPOUSE MAY DRIVE THE VEHICLE AND ALLOW IT**
17 **TO BE DRIVEN ON A HIGHWAY, WITHOUT APPLYING FOR A NEW REGISTRATION,**
18 **UNTIL THE EXPIRATION OF THE LAST REGISTRATION IN THE NAME OF THE**
19 **JOINT OWNERS.**

20 13-801.

21 **[The] ANY APPLICABLE** fees specified in this part for a certificate of title shall
22 be paid to the Administration before issuance of the certificate.

23 13-802.

24 (a) Except as provided in subsection (b) of this section and § 13-805 of this
25 subtitle, the fee for each certificate of title issued under this title is \$100.

26 (b) **(1)** For fiscal years 2012 through 2014 only, the fee for each certificate
27 of title issued for a rental vehicle is \$50.

28 **(2) ON THE DEATH OF A JOINT OWNER OF A VEHICLE, THE**
29 **ADMINISTRATION MAY NOT CHARGE A FEE FOR A NEW CERTIFICATE OF TITLE**
30 **ISSUED FOR THE VEHICLE TO ANOTHER JOINT OWNER WHO IS THE SURVIVING**
31 **SPOUSE.**

32 13-805.

1 For the issuance of a duplicate certificate of title, issued under § 13-111 of this
2 title to replace a lost, stolen, or damaged certificate of title, the fee shall be established
3 by the Administration.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2012.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.