

Department of Legislative Services  
Maryland General Assembly  
2002 Session

FISCAL NOTE

House Bill 315 (Delegate Shank)  
Commerce and Government Matters

---

Vehicle Laws - Parking Citations - Late Fees and Notification

---

This bill prohibits a State agency or political subdivision that issues parking citations from imposing a late fee for a parking citation until the citation is more than 30 days late or from notifying the Motor Vehicle Administration (MVA) that a person has failed to pay a parking citation until it is more than 60 days late.

The bill defines a late fee as any charge or fee imposed because a payment is not made when it is due and includes a fee that is described as a flat rate, a percentage of the amount due, or in any other terms.

---

Fiscal Summary

**State Effect:** None. The State agencies affected by the bill do not charge a late fee prohibited by the bill.

**Local Effect:** Revenues for local jurisdictions that charge a late fee prohibited by the bill would decrease. The impact would vary by jurisdiction, and could be significant. **This bill may impose a mandate on a unit of local government.**

**Small Business Effect:** Minimal. Small businesses that pay late fees for business vehicles would benefit.

---

Analysis

**Current Law:** Any State agency authorized by law and any political subdivision of this State may adopt ordinances or regulations that:

- regulate the parking of vehicles;
- provide for the impounding of vehicles parked in violation of the ordinances or regulations;
- regulate the towing of vehicles from publicly owned and privately owned parking lots; and
- provide for the issuance of a citation by an officer for certain parking violations.

The MVA may not register or transfer the registration of any vehicle involved in a parking violation, a violation under any federal parking regulation that applies to property in this State under the jurisdiction of the U.S. government, or a parking violation for which a civil penalty is assessed, if:

- it is notified by a political subdivision or authorized State agency that a person cited for a violation has failed to either pay the fine by the date specified in the citation or file a notice of intention to stand trial;
- it is notified by the District Court that a person who elected to stand trial for the violation has failed to appear; or
- it is notified by a U.S. District Court that a person cited for a violation under a federal parking regulation has failed to pay or appear for trial.

The MVA can also suspend the registration of a vehicle involved in a parking violation if it is notified the violator is a chronic offender.

**Local Revenues:** Local jurisdictions that provide a grace period of less than 30 days for parking citation payments -- including Baltimore City and Anne Arundel, Howard, Montgomery, and Wicomico counties -- could lose revenue as the number of payments that are considered late would decline. The amount of the loss cannot be reliably estimated and would vary by jurisdiction. Likewise, any jurisdiction that imposes a graduated late fee based on the number of days the payment is late (e.g., \$10 is owed after 15 days, \$15 is owed after 25 days) would lose additional revenue unless the amount of the fee is altered.

Baltimore City, which imposes a late fee if a citation payment is over 15 days late unless the violator requests a hearing, advises that it received \$4.6 million in late fees in fiscal 2001. However, it cannot estimate what portion of those revenues would be lost under the bill. Montgomery County, which charges a \$15 fee for any citation paid after 15 days, advises that the bill would not have a significant impact.

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Prince George's County, Judiciary (Administrative Office of the Courts), University System of Maryland, Department of Budget and Management, Department of General Services, Department of Transportation, Frederick County, Montgomery County, Baltimore City, Department of Legislative Services

**Fiscal Note History:** First Reader - February 14, 2002  
mam/jr

---

Analysis by: Ann Marie Maloney

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510