Chapter 377  
(House Bill 499)  

AN ACT concerning  
Vehicle Laws – Disposition of Vehicle to Automotive Dismantler and Recycler or Scrap Processor  

FOR the purpose of repealing a provision of law that authorizes certain persons to transfer certain inoperable vehicles to an automotive dismantler and recycler or scrap processor without providing a certificate of title or fulfilling certain notice requirements; repealing a provision of law that authorizes an automotive dismantler and recycler or scrap processor to require certain vehicle transferors to execute an indemnity agreement; repealing a certain exception for certain vehicles to the requirement that an automotive dismantler and recycler or scrap processor follow certain procedures after taking possession of a vehicle without receiving certain documentary evidence of ownership; establishing that an automotive dismantler and recycler or scrap processor that does not receive certain documentation from a certain police department when taking possession of a vehicle under certain circumstances is required to comply with certain procedures; altering the notice requirements that an automotive dismantler and recycler or scrap processor is required to follow if it takes possession of a vehicle but does not receive certain documentary evidence of ownership; clarifying that certain activity related to the delivery of a vehicle to an automotive dismantler and recycler or scrap processor does not require licensure as an automotive dismantler and recycler or scrap processor; providing for the application of provisions of law governing the disposition of a vehicle to an automotive dismantler and recycler or scrap processor; altering the required notice to and notice process for an owner and secured party of a defectively titled vehicle before the vehicle may be obtained by an automotive dismantler and recycler or scrap processor; establishing documentation that an automotive dismantler and recycler or scrap processor is required to obtain and keep on file for a certain period of time for inspection by law enforcement; prohibiting an automotive dismantler and recycler or scrap processor from accepting a defectively titled vehicle that is transported by an improperly registered tow truck; altering the reclamation period for a defectively titled vehicle possessed by an automotive dismantler and recycler or scrap processor; altering the procedures that a law enforcement agency is required to follow in issuing a certificate of authority for a defectively titled vehicle; altering the penalties for violations related to the disposition of a vehicle to an automotive dismantler and recycler or scrap processor; making certain stylistic and clarifying changes; and generally
relating to the disposition of a vehicle to an automotive dismantler and recycler or scrap processor.

BY repealing and reenacting, with amendments,

Article – Transportation
Section 15–502, 15–509, 25–209, and 27–101(c) and (d)
Annotated Code of Maryland
(2009 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, without amendments,

Article – Transportation
Section 25–204, 25–205, and 25–209
Annotated Code of Maryland
(2009 Replacement Volume and 2011 Supplement)

BY repealing

Article – Transportation
Section 25–210
Annotated Code of Maryland
(2009 Replacement Volume and 2011 Supplement)

BY adding to

Article – Transportation
Section 27–101.2
Annotated Code of Maryland
(2009 Replacement Volume and 2011 Supplement)

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

Article – Transportation

15–502.

(a) A person may not conduct the business of an automotive dismantler and recycler or a scrap processor, or engage in the business of acquiring or offering to purchase or remove vehicles which are to be dismantled in whole or in part by that person for the sale of usable parts, unless the person is licensed by the Administration under this subtitle.

(b) (1) A person may not advertise for the purchase, towing, or removal of junk or abandoned vehicles unless the person is licensed by the Administration under this subtitle.
Any advertisement for the purchase, towing, or removal of junk or abandoned vehicles by a licensee under this subtitle shall include the license number of the licensee.

A person may not store on any private property for more than 30 days any vehicle that is to be dismantled, destroyed, or scrapped, unless the person is an automotive dismantler and recycler or a scrap processor licensed under this subtitle.

This section does not prohibit an unlicensed person from PURCHASING, transporting, TOWING, OR REMOVING a vehicle to a licensed automotive dismantler and recycler or a licensed scrap processor for dismantling, destroying, or scrapping.

This section does not apply to any abandoned vehicle that is 8 years old or older and is totally inoperable.

If an automotive dismantler and recycler or scrap processor takes possession of a vehicle FROM A PERSON OTHER THAN THE OWNER OF THE VEHICLE and does not receive a certificate of title, A CERTIFICATE OF AUTHORITY UNDER § 25–209 OF THIS ARTICLE, or other documentary evidence of ownership acceptable to the Administration, the automotive dismantler and recycler or scrap processor shall comply with this section.

This section does not apply to a vehicle towed from RESIDENTIAL OR COMMERCIAL PROPERTY UNDER A CONTINUING CONTRACT TO TOW UNAUTHORIZED VEHICLES, FOR WHICH A CERTIFICATE OF AUTHORITY IS REQUIRED TO BE OBTAINED UNDER § 25–209 OF THIS ARTICLE.

After the vehicle has been in the possession of the automotive dismantler and recycler or scrap processor for more than 30 days, the automotive dismantler and recycler or scrap processor shall give at least 10 days’ notice of intent to dispose of the vehicle. The notice shall be sent by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to:

1. The owner of the vehicle and any secured party, as shown on the records of the Administration; or
2. Any other person who is entitled to possession of the vehicle and whose address is known or reasonably can be obtained.

An automotive dismantler and recycler or scrap processor that takes possession of a vehicle and does not receive documentary evidence of ownership acceptable to the Administration shall follow the notification procedures under §§
AS SOON AS REASONABLY POSSIBLE AND WITHIN 7 DAYS AFTER IT TAKES A VEHICLE INTO POSSESSION FROM A PERSON OTHER THAN THE OWNER OF THE VEHICLE, AN AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP PROCESSOR SHALL SEND A NOTICE, BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, BEARING A POSTMARK FROM THE UNITED STATES POSTAL SERVICE, TO:

(I) THE LAST KNOWN REGISTERED OWNER OF THE VEHICLE; AND

(II) EACH SECURED PARTY, AS SHOWN ON THE RECORDS OF THE ADMINISTRATION.

(2) THE NOTICE SHALL:

(I) STATE THAT THE VEHICLE HAS BEEN TAKEN INTO CUSTODY;

(II) DESCRIBE THE YEAR, MAKE, MODEL, AND VEHICLE IDENTIFICATION NUMBER OF THE VEHICLE;

(III) GIVE THE LOCATION OF THE FACILITY WHERE THE VEHICLE IS HELD;

(IV) INFORM THE OWNER AND SECURED PARTY OF THE OWNER’S AND SECURED PARTY’S RIGHT TO RECLAIM THE VEHICLE WITHIN 11 WORKING DAYS AFTER THE DATE OF THE NOTICE, ON PAYMENT OF ALL TOWING, RECOVERY, AND STORAGE CHARGES OWED TO THE AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP PROCESSOR RESULTING FROM TAKING OR HOLDING THE VEHICLE; AND

(V) STATE THAT THE FAILURE OF THE OWNER OR SECURED PARTY TO EXERCISE THIS RIGHT IN THE TIME PROVIDED IS:

1. A WAIVER BY THE OWNER OR SECURED PARTY OF ALL OF THE OWNER’S OR SECURED PARTY’S RIGHT, TITLE, AND INTEREST IN THE VEHICLE; AND

2. A CONSENT TO THE DISMANTLING, DESTROYING, OR SCRAPPING OF THE VEHICLE.

(C) IF THE AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP PROCESSOR RECEIVES WITH THE VEHICLE DOCUMENTARY PROOF THAT THE
NOTIFICATION PROCEDURES OF SUBSECTION (B) OF THIS SECTION ALREADY HAVE BEEN COMPLETED BY ANOTHER PERSON BEFORE TAKING POSSESSION OF THE VEHICLE OR THAT THE VEHICLE IS BEING RECEIVED FROM THE OWNER OF THE VEHICLE OR AN AGENT OF THE OWNER, THE AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP PROCESSOR MAY ACCEPT DOCUMENTATION AS TO NOTICE OR OWNERSHIP AS PROOF OF COMPLIANCE AND IS NOT REQUIRED TO REPEAT PROVISION OF THIS NOTIFICATION.

(D) IN ADDITION TO DOCUMENTATION OF NOTICE UNDER SUBSECTIONS (B) AND (C) OF THIS SECTION, AN AUTOMOTIVE DISMANTLER AND RECYCLER OR SCRAP PROCESSOR SHALL OBTAIN FROM A PERSON WHO PROVIDES THE VEHICLE:

(1) AN AFFIDAVIT IN A FORM APPROVED BY THE ADMINISTRATION SIGNED UNDER PENALTY OF PERJURY BY THE PERSON PROVIDING THE VEHICLE;

(2) A COPY OF THE DRIVER’S LICENSE OF THE PERSON WHO PROVIDES THE VEHICLE;

(3) ANY PROOF OF OWNERSHIP DOCUMENTS ACCEPTABLE TO THE ADMINISTRATION, IF AVAILABLE; AND

(4) IF THE VEHICLE IS TRANSPORTED BY A TOW VEHICLE, A COPY OF THE REGISTRATION OF THE TOW VEHICLE.

(E) AN AFFIDAVIT UNDER SUBSECTION (D) OF THIS SECTION SHALL INCLUDE:

(1) A STATEMENT THAT THE PERSON PROVIDING THE VEHICLE HAS THE LAWFUL RIGHT TO POSSESS THE VEHICLE AND THE BASIS OF THAT RIGHT;

(2) A STATEMENT THAT, EXCEPT AS PROVIDED IN § 25–209 OF THIS ARTICLE, THE VEHICLE MAY NOT BE RETITLED AND MAY ONLY BE DISMANTLED, DESTROYED, OR SCRAPPED;

(3) A DESCRIPTION OF THE VEHICLE, INCLUDING YEAR, MAKE, MODEL, COLOR, AND VEHICLE IDENTIFICATION NUMBER;

(4) THE NAME, ADDRESS, DRIVER’S LICENSE NUMBER, AND SIGNATURE OF THE PERSON PROVIDING THE VEHICLE;

(5) AN ACKNOWLEDGEMENT THAT:
(I) **The form is being signed under penalty of perjury; and**

(II) **The penalties established under § 27–101.2 of this article apply:**

(6) **The date the vehicle is provided to the automotive dismantler and recycler or scrap processor;**

(7) **The name, address, and state-issued license number of the automotive dismantler and recycler or scrap processor acquiring the vehicle; and**

(8) **The printed name, title, and signature of the person accepting the vehicle.**

(F) **The automotive dismantler and recycler or scrap processor shall keep and make available for inspection by a law enforcement agency for 3 years under procedures adopted by the administration by regulation:**

(I) **All documentation of notice provided under subsections (b) or (c) of this section; and**

(II) **All additional documentation required to be obtained or kept on file under subsection (d) of this section.**

(G) **An automotive dismantler and recycler or scrap processor may not accept a vehicle that is transported by a tow truck unless the tow truck is registered under § 13–920 of this article.**

(H) **On receipt of a vehicle, an automotive dismantler and recycler or scrap processor shall comply with procedures for notification, reporting, and document retention as established by the administration by regulation.**

[(d)] [(e) (I)] [(1)] The automotive dismantler and recycler or scrap processor takes unencumbered title to the vehicle **for the purpose of dismantling, recycling, or scrap processing**, without having to obtain a certificate of title for it in his own name, if:
[He] (1) The automotive dismantler and recycler or scrap processor has complied with this section; and

[He] (2) Except as provided in paragraph (2) of this subsection, the vehicle has not been recovered or reclaimed, before the end of the 11-working day period specified in the notice, by the owner, secured party, or other person entitled to its possession.

(2) If the address of the owner, secured party, or other person entitled to possession of the vehicle cannot be obtained from the records of the Administration or by the exercise of reasonable diligence, the automotive dismantler and recycler or scrap processor takes unencumbered title to the vehicle, without having to obtain a certificate of title in his own name, after the vehicle has been in his possession for 30 days.

(D) (1) If an automotive dismantler and recycler or scrap processor takes title to a vehicle under this section, the automotive dismantler and recycler or scrap processor shall certify this fact to the Administration.

(2) The certification shall:

(I) be made in the form that the Administration requires;

(II) include documentary proof that the notification procedures under §§ 25–204 and 25–205 of this article have been fulfilled; and

(III) be sent to the Administration within 5 days after the automotive dismantler and recycler or scrap processor takes title.

25–204.

(a) As soon as reasonably possible and within 7 days at most after it takes an abandoned vehicle into custody, a police department shall send a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to:

(1) The last known registered owner of the vehicle; and

(2) Each secured party, as shown on the records of the Administration.

(b) The notice shall:

(1) State that the abandoned vehicle has been taken into custody;
(2) Describe the year, make, model, and vehicle identification number of the vehicle;

(3) Give the location of the facility where the vehicle is held;

(4) (i) Inform the owner and secured party of the owner’s and secured party’s right to reclaim the vehicle within 3 weeks after the date of the notice, on payment of all towing, preservation, and storage charges resulting from taking or placing the vehicle in custody; or

(ii) In Baltimore City and Montgomery County, be sent by certified mail, return receipt requested, and inform the owner and secured party of the owner’s and secured party’s right to reclaim the vehicle within 11 working days after the receipt of the notice, on payment of all towing, preservation, and storage charges resulting from taking or placing the vehicle in custody; and

(5) State that the failure of the owner or secured party to exercise this right in the time provided is:

   (i) A waiver by the owner or secured party of all of the owner's or secured party's right, title, and interest in the vehicle;

   (ii) A consent to the sale of the vehicle at public auction; and

   (iii) A consent by the owner other than a lessor to the retention of the vehicle for public purposes as provided in § 25–207 of this subtitle.

(c) In Baltimore City, Prince George’s County, and Montgomery County, a police department or its agent may seek to recover costs of impoundment, storage, and sale of a vehicle as provided by §§ 25–206.1 and 25–206.2 of this subtitle. If a police department or its agent seeks to apply the provisions of §§ 25–206.1 and 25–206.2 of this subtitle, the notice required by this section shall also state that the failure of the owner or secured party to exercise the right to reclaim the vehicle in the time provided may cause:

   (1) Continuing liability of the owner for costs of:

      (i) Impoundment;

      (ii) Storage within the chargeable limit for storage as provided in § 25–206.1(b) of this subtitle; and

      (iii) Sale of the vehicle; and

   (2) Denial of any application by the owner to renew the registration of any vehicle as required by § 25–206.2 of this subtitle.
This section applies if:

1. The identity of the last registered owner of an abandoned vehicle cannot be determined;
2. The registration of the vehicle gives no address for the owner;
3. It is impossible to determine with reasonable certainty the identity and address of each secured party; or
4. The certified mail notice required by § 25–204 of this subtitle is returned as undeliverable.

Under one of the conditions described in subsection (a) of this section, a police department that takes an abandoned vehicle into custody shall give the required notice by posting a notice complying with the provisions of subsection (c) of this section in the circuit court of the county where the abandoned vehicle was found.

The notice:

1. May contain multiple listings of abandoned vehicles;
2. Shall contain the information required by § 25–204 of this subtitle;
3. Shall be posted:
   i. Within 15 days of the taking into custody of the vehicle; or
   ii. If the notice by posting under this section is made because of the return as undeliverable of a prior notice by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, within 7 days of the return of that prior notice.

Any person who possesses or on whose property is found an abandoned vehicle and any person who owns a vehicle, a person who owns a vehicle, on whose property is found an abandoned vehicle, or who has lawful, documented possession of a vehicle for which the certificate of title is defective, lost, or destroyed, may apply to the police department of a law enforcement agency for the jurisdiction in which the vehicle is located for
authority to transfer the vehicle to an automotive dismantler and recycler or scrap processor.

(b) The application shall **BE MADE UNDER PENALTY OF PERJURY AND SHALL** include:

1. The name and address of the applicant;
2. The year, make, model, and vehicle identification number of the vehicle, if ascertainable, and any other identifying features of the vehicle;
3. A concise statement of the facts about the abandonment of the vehicle or the loss, destruction, or defect of the certificate of title of the vehicle; and
4. An affidavit stating that the facts alleged in the application are true and that no material fact has been withheld.

(c) If a police department LAW ENFORCEMENT AGENCY finds that the application is executed in proper form and shows either that the vehicle has been abandoned on the property of the applicant or, if the vehicle is not abandoned, that the applicant appears to be the rightful owner, the police department LAW ENFORCEMENT AGENCY shall MAY:

(I) **IF THE APPLICANT APPEARS TO BE THE RIGHTFUL OWNER, APPROVE THE REQUEST ON VERIFICATION OF THE INFORMATION IN THE APPLICATION; OR**

(II) **IF THE APPLICATION IS MADE BY A PERSON OTHER THAN THE RIGHTFUL OWNER,** follow the notification procedures of §§ 25–204 and 25–205 of this subtitle.

(c–1) If the applicant submits with the application documentary proof that the notification procedures of §§ 25–204 and 25–205 of this subtitle already have been complied with, the police department LAW ENFORCEMENT AGENCY may SHALL accept the document as proof of compliance and the department AGENCY is not required to provide this notification.

(d) (1) If an abandoned vehicle is not reclaimed in the time required by this subtitle **OR NOTICE HAS ALREADY BEEN PROVIDED TO THE OWNER AND ANY SECURED PARTY,** the police department LAW ENFORCEMENT AGENCY shall give the applicant a certificate of authority to transfer the vehicle to:

(i) Any automotive dismantler and recycler for:

1. Dismantling, destroying, or scrapping; or
2. Salvaging as authorized under § 13–506 of this article; or

   (ii) Any scrap processor for dismantling, destroying, or scrapping.

(2) The automotive dismantler and recycler or scrap processor shall accept the certificate of authority instead of the certificate of title of the vehicle.

(3) The automotive dismantler and recycler may apply for a salvage certificate as provided in § 13–506 of this article.


   (a) The following persons may transfer a vehicle under this section:

      (1) Any person who possesses or on whose property any abandoned vehicle is found;

      (2) Any person who owns a vehicle for which the certificate of title is defective, lost, or destroyed; or

      (3) Any agent designated and authorized by a government agency to remove an abandoned vehicle from public or private property.

   (b) Notwithstanding any other provision of this subtitle, if the vehicle is more than 8 years old and has no engine or otherwise is totally inoperable, any person described in subsection (a) of this section may transfer the vehicle to an automotive dismantler and recycler or scrap processor without a certificate of title and without following the notification procedures of §§ 25–204 and 25–205 of this subtitle.

   (c) An automotive dismantler and recycler or scrap processor may require a person who transfers a vehicle under subsection (b) of this section, to execute an indemnity agreement on a form prescribed by the Administration.

   (d) In those cases described in subsection (b) of this section, an automotive dismantler and recycler or a scrap processor whose plant is physically located and operating in this State may file with the Administration the indemnity agreement described in subsection (c) of this section that identifies the vehicle and contains the name, address, and signature of the person delivering it.]


   (a) It is a misdemeanor for any person to violate any of the provisions of the Maryland Vehicle Law unless the violation:
(1) Is declared to be a felony by the Maryland Vehicle Law or by any other law of this State; or

(2) Is punishable by a civil penalty under the applicable provision of the Maryland Vehicle Law.

(b) Except as otherwise provided in this section, any person convicted of a misdemeanor for the violation of any of the provisions of the Maryland Vehicle Law is subject to a fine of not more than $500.

(c) Any person who is convicted of a violation of any of the provisions of the following sections of this article is subject to a fine of not more than $500 or imprisonment for not more than 2 months or both:

(1) § 12–301(e) or (f) (“Special identification cards: Unlawful use of identification card prohibited”);

(2) § 14–102 (“Taking or driving vehicle without consent of owner”);

(3) § 14–104 (“Damaging or tampering with vehicle”);

(4) § 14–107 (“Removed, falsified, or unauthorized identification number or registration card or plate”);

(5) § 14–110 (“Altered or forged documents and plates”);

(6) § 15–312 (“Dealers: Prohibited acts – Vehicle sales transactions”);

(7) § 15–313 (“Dealers: Prohibited acts – Advertising practices”);

(8) § 15–314 (“Dealers: Prohibited acts – Violation of licensing laws”);

(9) § 15–411 (“Vehicle salesmen: Prohibited acts”);

(10) § 15–502(c) (“Storage of certain vehicles by unlicensed persons prohibited”);

(11) § 16–113(j) (“Violation of alcohol restriction”);

(12) § 16–301, except § 16–301(a) or (b) (“Unlawful use of license”);

(13) § 16–303(h) (“Licenses suspended under certain provisions of Code”);
§ 16–303(i) (“Licenses suspended under certain provisions of the traffic laws or regulations of another state”);

§ 18–106 (“Unauthorized use of rented motor vehicle”);

§ 20–103 (“Driver to remain at scene – Accidents resulting only in damage to attended vehicle or property”);

§ 20–104 (“Duty to give information and render aid”);

§ 20–105 (“Duty on striking unattended vehicle or other property”);

§ 20–108 (“False reports prohibited”);

§ 21–206 (“Interference with traffic control devices or railroad signs and signals”);

§ 21–502(a) (“Pedestrians’ right-of-way in crosswalks: In general”), if the violation contributes to an accident;

§ 21–502(c) (“Passing of vehicle stopped for pedestrian prohibited”), if the violation contributes to an accident;

Except as provided in subsections (f) and (q) of this section, § 21–902(b) (“Driving while impaired by alcohol”);

Except as provided in subsections (f) and (q) of this section, § 21–902(c) (“Driving while impaired by drugs or drugs and alcohol”);

§ 21–902.1 (“Driving within 12 hours after arrest”); or

§ 27–107(d), (e), (f), or (g) (“Prohibited acts – Ignition interlock systems”).

Any person who is convicted of a violation of any of the provisions of the following sections of this article is subject to a fine of not more than $500 or imprisonment for not more than 6 months or both:

§ 18–104 (“Renting motor vehicle with incorrect odometer”);

§ 22–405.1 (“Regrooved tires”);
§ 22–415 (“Tampering with or altering odometer”); OR

For each vehicle for which there is a violation, § 23–109 (“Inspections of used vehicles and warnings for defective equipment: Prohibited activities”); OR

EXCEPT AS PROVIDED IN SUBSECTION (I) OF THIS SECTION AND § 27–101.2 OF THIS SUBTITLE, TITLE 15, SUBTITLE 5 OF THIS ARTICLE.

(i) Any person who is convicted of a violation of any of the provisions of § 15–402 of this article (“Vehicle salesman’s license required”) or § 15–502(a) of this article (“Automotive dismantler and recycler or scrap processor – License required”) is subject to:

(1) For a first offense, a fine of not more than $1,000 or imprisonment for not more than 6 months or both; and

(2) For any subsequent offense, a fine of not more than $2,000 or imprisonment for not more than 1 year or both.

27–101.2.

A PERSON WHO KNOWINGLY MAKES A FALSE STATEMENT ON AN AFFIDAVIT OF LAWFUL POSSESSION UNDER § 15–509 OF THIS ARTICLE OR ON AN APPLICATION FOR A CERTIFICATE OF AUTHORITY UNDER § 25–209 OF THIS ARTICLE IS GUILTY OF A FELONY AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING $1,000 OR IMPRISONMENT NOT EXCEEDING 10 YEARS OR BOTH.

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

Approved by the Governor, May 2, 2012.