

SENATE BILL 648

R4

1lr2916

By: **Senator Carter**

Introduced and read first time: January 29, 2021

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Vehicle Laws – Disposal of Abandoned Vehicles – Public Auction**

3 FOR the purpose of authorizing certain persons to sell at public auction an abandoned
4 vehicle that is not reclaimed in a certain manner and for which a certain certificate
5 is issued; requiring the seller of certain abandoned vehicles to reimburse themselves
6 for certain costs and dispose of the proceeds of the sale in a certain manner;
7 authorizing certain persons to apply to a certain law enforcement agency for
8 authority to sell certain abandoned vehicles at public auction; requiring, under
9 certain circumstances, certain law enforcement agencies to give certain applicants a
10 certificate of authority to sell certain abandoned vehicles at public auction; and
11 generally relating to the sale of certain abandoned vehicles.

12 BY repealing and reenacting, with amendments,

13 Article – Transportation
14 Section 25–207 and 25–209
15 Annotated Code of Maryland
16 (2020 Replacement Volume)

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

19 **Article – Transportation**

20 25–207.

21 (a) **(1)** Except as provided in subsection (e) of this section, if an abandoned
22 vehicle is not reclaimed as provided for in this subtitle, the police department shall sell the
23 vehicle at public auction.

24 **(2) A PERSON ON WHOSE PROPERTY AN ABANDONED VEHICLE IS**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **FOUND MAY SELL THE VEHICLE AT PUBLIC AUCTION IF:**

2 (I) **THE VEHICLE IS NOT RECLAIMED AS PROVIDED FOR IN THIS**
3 **SUBTITLE; AND**

4 (II) **A CERTIFICATE OF AUTHORITY IS ISSUED FOR THE VEHICLE**
5 **UNDER § 25–209 OF THIS SUBTITLE.**

6 (b) The buyer of the vehicle at auction:

7 (1) Takes ownership of the vehicle free and clear of any claim of ownership
8 or lien of any other person;

9 (2) Is entitled to a sales receipt, on a form that is approved by the
10 Administration, from the police department;

11 (3) Is entitled to obtain a salvage certificate for the vehicle; and

12 (4) May obtain a certificate of title under § 13–507 of this article.

13 (c) The sales receipt, on a form that is approved by the Administration, is
14 sufficient title for transferring the vehicle to an automotive dismantler and recycler or scrap
15 processor for dismantling, destroying, or scrapping, in which case, a certificate of title is
16 not required.

17 (d) Except as otherwise provided in this subtitle:

18 (1) From the proceeds of the sale of an abandoned vehicle, the [police
19 department] **SELLER** shall reimburse itself for the costs of towing, preserving, and storing
20 the vehicle and the expenses of the auction, including all notice and publication costs
21 incurred under this subtitle; and

22 (2) Any remaining proceeds of the sale shall be held for 90 days for the
23 owner of the vehicle and any entitled secured party, after which the remaining proceeds
24 revert to:

25 (i) The treasury of the county in which the sale was made; or

26 (ii) In the case of a municipality that conducts the sale, the treasury
27 of the municipality.

28 (e) (1) After satisfying the requirements for obtaining a certificate of title for
29 an abandoned vehicle under § 25–207.1 of this subtitle, a police department may retain and
30 use the vehicle for public purposes without any further notice or consent of the owner other
31 than a lessor as provided in paragraph (2) of this subsection.

1 (2) (i) If there is a secured party with an interest in the vehicle as
2 shown on the records of the Administration, the police department may not retain the
3 vehicle for public purposes without the written consent of the secured party.

4 (ii) If the vehicle is owned by a lessor under a lease not intended as
5 security, the police department may not retain the vehicle for public purposes without the
6 written consent of the lessor.

7 (f) A vehicle retained for public purposes under subsection (e) of this section:

8 (1) May be dismantled or disassembled for the purpose of using its
9 component parts; and

10 (2) When no longer usable for public purposes, may at the discretion of the
11 police department, without further notice, be sold at public auction as provided in this
12 subtitle or transferred by the police department to a scrap processor licensed under §
13 15–502 of this article.

14 25–209.

15 (a) A person who owns a vehicle, on whose property is found an abandoned
16 vehicle, or who has lawful, documented possession of a vehicle for which the certificate of
17 title is defective, lost, or destroyed, may apply to a law enforcement agency for the
18 jurisdiction in which the vehicle is located for authority to **[transfer]:**

19 **(1) TRANSFER** the vehicle to an automotive dismantler and recycler or
20 scrap processor; **OR**

21 **(2) IN THE CASE OF AN ABANDONED VEHICLE, SELL THE VEHICLE AT**
22 **PUBLIC AUCTION IN ACCORDANCE WITH § 25–207 OF THIS SUBTITLE.**

23 (b) The application shall be made under penalty of perjury and shall include:

24 (1) The name and address of the applicant;

25 (2) The year, make, model, and vehicle identification number of the vehicle,
26 if ascertainable, and any other identifying features of the vehicle;

27 (3) A concise statement of the facts about the abandonment of the vehicle
28 or the loss, destruction, or defect of the certificate of title of the vehicle; and

29 (4) An affidavit stating that the facts alleged in the application are true
30 and that no material fact has been withheld.

31 (c) If a law enforcement agency finds that the application is executed in proper
32 form and shows either that the vehicle has been abandoned on the property of the applicant

1 or, if the vehicle is not abandoned, that the applicant appears to be the rightful owner, the
2 law enforcement agency may:

3 (i) If the applicant appears to be the rightful owner, approve the
4 request on verification of the information in the application; or

5 (ii) If the application is made by a person other than the rightful
6 owner, follow the notification procedures of §§ 25–204 and 25–205 of this subtitle.

7 (c–1) If the applicant submits with the application documentary proof that the
8 notification procedures of §§ 25–204 and 25–205 of this subtitle already have been complied
9 with, the law enforcement agency shall accept the document as proof of compliance and the
10 agency is not required to provide this notification.

11 (d) (1) If an abandoned vehicle is not reclaimed in the time required by this
12 subtitle or notice has already been provided to the owner and any secured party, the law
13 enforcement agency shall give the applicant a certificate of authority to **[transfer]**:

14 (I) **TRANSFER** the vehicle to:

15 [(i)] 1. Any automotive dismantler and recycler for:

16 [1.] A. Dismantling, destroying, or scrapping; or

17 [2.] B. Salvaging as authorized under § 13–506 of this
18 article; or

19 [(ii)] 2. Any scrap processor for dismantling, destroying, or
20 scrapping; **OR**

21 (II) **SELL THE VEHICLE AT PUBLIC AUCTION IN ACCORDANCE**
22 **WITH § 25–207 OF THIS SUBTITLE.**

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

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

27 (e) A person may not knowingly make a false statement on an application for a
28 certificate of authority under this section.

29 (f) A person who violates subsection (e) of this section is guilty of a felony and on
30 conviction is subject to imprisonment not exceeding 10 years or a fine not exceeding \$1,000
31 or both.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2021.