

(4) (i) In this paragraph, "family member" means any individual whose relationship to the vehicle owner is one of those listed under § 13-810(b)(1) of this article as being exempt from paying the excise tax imposed on the transfer of a vehicle.

(ii) The monetary penalties provided in this subsection may not be avoided by transferring title to the vehicle.

(iii) Regardless of whether money or other valuable consideration is involved in the transfer, if title to a vehicle is transferred by an individual who has violated this subtitle to a family member, any suspension of the vehicle's registration that occurred before the transfer shall continue as if no transfer had occurred and a new registration may not be issued until the penalty fee is paid.

(5) An amount equal to the monetary penalties paid to the Administration under paragraph (2) of this subsection may be used by the Administration only for the enforcement of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

### **Article - Transportation**

17-106.

(e) (1) (i) In addition to any other penalty provided for in the Maryland Vehicle Law, if the required security for a vehicle terminates or otherwise lapses during its registration year, the Administration may assess the owner of the vehicle with a penalty of \$150 for each vehicle without the required security for a period of 1 to 30 days. If a fine is assessed, beginning on the 31st day the fine shall increase by a rate of \$7 for each day.

(ii) Each period during which the required security for a vehicle terminates or otherwise lapses shall constitute a separate violation.

(iii) The penalty imposed under this subsection may not exceed \$2,500 for each violation in a 12-month period.

(2) (i) A penalty assessed under this subsection shall be paid as follows:

1. 70% to be allocated to the Maryland Automobile Insurance Fund, THE MOTOR VEHICLE REGISTRATION ENFORCEMENT FUND, and the General Fund as provided in subparagraph (ii) of this paragraph; and

2. 30% to the Administration.

(ii) The percentage of the penalties specified under subparagraph (i) of this paragraph shall be distributed as follows:

1. The amount distributed to the Maryland Automobile Insurance Fund in the prior fiscal year under the provisions of this subparagraph adjusted by the change for the calendar year preceding the fiscal year in the