

SENATE BILL 1081

F1, R7

4lr2525
CF 4lr3471

By: **Senator McCray**

Introduced and read first time: February 2, 2024

Assigned to: Education, Energy, and the Environment and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Education – Public Schools – Driver Education and Transportation to Field**
3 **Trips**

4 FOR the purpose of establishing the Driver Education in Public Schools Grant Program to
5 provide grants to public schools and nonprofit organizations to assist public schools
6 in offering driver education courses to students; establishing the State–Aided
7 Institutions Field Trip Grant Program to assist public schools in transporting
8 students to field trips at State–aided educational institutions; establishing the
9 Driver Education in Public Schools Fund and the State–Aided Institutions Field Trip
10 Fund as special, nonlapsing funds; altering the penalties for the termination or lapse
11 of required vehicle security and the distribution of the revenue derived from the
12 penalties, including distribution to the Driver Education in Public Schools Fund and
13 the State–Aided Institutions Field Trip Fund; and generally relating to driver
14 education and transportation to field trips for public schools.

15 BY repealing and reenacting, without amendments,
16 Article – Education
17 Section 7–414
18 Annotated Code of Maryland
19 (2022 Replacement Volume and 2023 Supplement)

20 BY adding to
21 Article – Education
22 Section 7–414.1 and 7–810
23 Annotated Code of Maryland
24 (2022 Replacement Volume and 2023 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – Transportation
27 Section 17–106(e)(1) and (2)
28 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2020 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, without amendments,
Article – Transportation
Section 17–106(e)(3)
Annotated Code of Maryland
(2020 Replacement Volume and 2023 Supplement)

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

Article – Education

7–414.

(a) (1) Each county board may offer instruction in the safe operation of a motor vehicle to high school students who are 15 years old or older.

(2) The instruction shall be given as provided by Title 16, Subtitle 5 of the Transportation Article.

(3) Each county board shall determine whether the course is an elective or a required course.

(4) The State Board shall determine what credit, if any, is allowed to successful students of the course.

(b) The principal of each school that offers the driver education course shall arrange the time set aside for actual driving instruction so that it does not interfere with other school work.

(c) (1) Each motor vehicle used for instruction shall bear the identification required by the Motor Vehicle Administration.

(2) If practicable, the actual driving instruction shall be conducted on private or public property that is removed from State roads.

7–414.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “FUND” MEANS THE DRIVER EDUCATION IN PUBLIC SCHOOLS FUND.

1 **(3) "PROGRAM" MEANS THE DRIVER EDUCATION IN PUBLIC**
2 **SCHOOLS GRANT PROGRAM.**

3 **(B) THERE IS A DRIVER EDUCATION IN PUBLIC SCHOOLS GRANT**
4 **PROGRAM IN THE DEPARTMENT.**

5 **(C) THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS TO PUBLIC**
6 **SCHOOLS AND NONPROFIT ORGANIZATIONS TO ASSIST PUBLIC SCHOOLS IN**
7 **OFFERING DRIVER EDUCATION COURSES FOR STUDENTS CONSISTENT WITH THE**
8 **REQUIREMENTS OF § 7-414 OF THIS SUBTITLE.**

9 **(D) THE DEPARTMENT SHALL:**

10 **(1) ADMINISTER THE PROGRAM;**

11 **(2) ESTABLISH APPLICATION PROCEDURES FOR THE PROGRAM; AND**

12 **(3) AWARD GRANTS FROM THE PROGRAM.**

13 **(E) (1) SUBJECT TO THE AVAILABILITY OF MONEY IN THE FUND, A**
14 **PUBLIC SCHOOL OR NONPROFIT ORGANIZATION MAY APPLY FOR A GRANT UNDER**
15 **THE PROGRAM FOR EXPENSES PAID OR INCURRED, OR THAT WILL BE PAID OR**
16 **INCURRED, TO OFFER A DRIVER EDUCATION COURSE FOR STUDENTS CONSISTENT**
17 **WITH THE REQUIREMENTS OF § 7-414 OF THIS SUBTITLE.**

18 **(2) WHEN MAKING GRANTS, THE DEPARTMENT SHALL PRIORITIZE:**

19 **(I) PUBLIC SCHOOLS AT WHICH AT LEAST 40% OF THE**
20 **REGISTERED STUDENTS ARE ELIGIBLE FOR THE FEDERAL FREE OR REDUCED PRICE**
21 **MEAL PROGRAM; AND**

22 **(II) NONPROFIT ORGANIZATIONS WORKING TO OFFER A DRIVER**
23 **EDUCATION COURSE IN A SCHOOL AT WHICH AT LEAST 40% OF THE REGISTERED**
24 **STUDENTS ARE ELIGIBLE FOR THE FEDERAL FREE OR REDUCED PRICE MEAL**
25 **PROGRAM.**

26 **(F) (1) THERE IS A DRIVER EDUCATION IN PUBLIC SCHOOLS FUND.**

27 **(2) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

28 **(3) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
29 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

(II) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(4) THE FUND CONSISTS OF:

(I) MONEY RECEIVED BY THE FUND FROM FINES FOR VEHICLE SECURITY LAPSES UNDER § 17-106 OF THE TRANSPORTATION ARTICLE; AND

(II) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(5) THE FUND MAY BE USED ONLY FOR:

(I) PROVIDING GRANTS UNDER THE PROGRAM; AND

(II) ADMINISTRATIVE COSTS OF THE PROGRAM.

(6) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(II) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE.

(G) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

7-810.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "FUND" MEANS THE STATE-AIDED INSTITUTIONS FIELD TRIP FUND.

(3) "PROGRAM" MEANS THE STATE-AIDED INSTITUTIONS FIELD TRIP GRANT PROGRAM.

(B) THERE IS A STATE-AIDED INSTITUTIONS FIELD TRIP GRANT PROGRAM IN THE DEPARTMENT.

(C) THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS TO PUBLIC SCHOOLS TO PROVIDE TRANSPORTATION TO STUDENTS FOR FIELD TRIPS TO

1 EDUCATIONAL INSTITUTIONS THAT ARE QUALIFIED AS STATE-AIDED EDUCATIONAL
2 INSTITUTIONS UNDER TITLE 5, SUBTITLE 5 OF THIS ARTICLE.

3 (D) THE DEPARTMENT SHALL:

4 (1) ADMINISTER THE PROGRAM;

5 (2) ESTABLISH APPLICATION PROCEDURES FOR THE PROGRAM; AND

6 (3) AWARD GRANTS FROM THE PROGRAM.

7 (E) (1) SUBJECT TO THE AVAILABILITY OF MONEY IN THE FUND, A
8 PUBLIC SCHOOL MAY APPLY FOR A GRANT UNDER THE PROGRAM FOR EXPENSES
9 PAID OR INCURRED, OR THAT WILL BE PAID OR INCURRED, TO PROVIDE
10 TRANSPORTATION TO STUDENTS FOR FIELD TRIPS TO EDUCATIONAL INSTITUTIONS
11 THAT ARE QUALIFIED AS STATE-AIDED EDUCATIONAL INSTITUTIONS UNDER TITLE
12 5, SUBTITLE 5 OF THIS ARTICLE.

13 (2) WHEN MAKING GRANTS, THE DEPARTMENT SHALL PRIORITIZE
14 PUBLIC SCHOOLS AT WHICH AT LEAST 40% OF THE REGISTERED STUDENTS ARE
15 ELIGIBLE FOR THE FEDERAL FREE OR REDUCED PRICE MEAL PROGRAM.

16 (F) (1) THERE IS A STATE-AIDED INSTITUTIONS FIELD TRIP FUND.

17 (2) THE DEPARTMENT SHALL ADMINISTER THE FUND.

18 (3) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
19 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

20 (II) THE STATE TREASURER SHALL HOLD THE FUND
21 SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

22 (4) THE FUND CONSISTS OF:

23 (I) MONEY RECEIVED BY THE FUND FROM FINES FOR VEHICLE
24 SECURITY LAPSES UNDER § 17-106 OF THE TRANSPORTATION ARTICLE; AND

25 (II) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED
26 FOR THE BENEFIT OF THE FUND.

27 (5) THE FUND MAY BE USED ONLY FOR:

28 (I) PROVIDING GRANTS UNDER THE PROGRAM; AND

(II) ADMINISTRATIVE COSTS OF THE PROGRAM.

(6) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(II) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE.

(G) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

Article – Transportation

17–106.

(e) (1) (i) 1. Except as provided in subparagraphs (iv) and (v) of this paragraph, 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]~~ **\$100** for each vehicle without the required security for a period of 1 to ~~[30]~~ **15** days **AFTER TERMINATION OR LAPSE AND AN ADDITIONAL PENALTY OF \$200 FOR A PERIOD OF 16 TO 30 DAYS AFTER TERMINATION OR LAPSE.**

2. If a fine is assessed, beginning on the 31st day the fine shall increase by a rate of ~~[\$7]~~ **\$9** 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]~~ **\$3,000** for each violation in a 12–month period.

(iv) The Administration may not assess a penalty under this subsection if:

1. The registration plates of the vehicle are returned to the Administration within 10 days after the termination or lapse of the required security, as shown by the records of the Administration; and

2. A. The certificate of title for the vehicle has been transferred to a new owner;

B. The registered owner has moved out–of–state and the registration plates are returned by mail;

1 C. A salvage certificate has been issued for the vehicle; or

2 D. A licensed dealer has taken possession of the vehicle with
3 an obligation to return the registration plates.

4 (v) Before the Administration may assess a penalty under this
5 subsection, the Administration shall first verify that the registration plates for the vehicle
6 were not returned to the Administration within 10 days after the termination or lapse of
7 the required security.

8 (2) (i) Except as provided under paragraph (3) of this subsection, a
9 penalty assessed under this subsection shall be paid as follows:

10 1. 70% to be allocated as provided in subparagraph (ii) of this
11 paragraph; and

12 2. 30% to the Administration, which may be used by the
13 Administration, subject to subsection (f) of this section, to provide funding for contracts
14 with independent agents to assist in the recovery of evidences of registration as authorized
15 in subsection (d)(3) of this section.

16 (ii) For each fiscal year beginning on or after July 1, [2014] **2025**,
17 the percentage of the penalties specified under subparagraph (i)1 of this paragraph shall
18 be allocated among the Safe Schools Fund, the Vehicle Theft Prevention Fund, the
19 Maryland Automobile Insurance Fund, **THE DRIVER EDUCATION IN PUBLIC SCHOOLS**
20 **FUND, THE STATE-AIDED INSTITUTIONS FIELD TRIP FUND**, and the General Fund as
21 follows:

22 1. \$600,000 to the Safe Schools Fund;

23 2. **[\$2,000,000] \$3,000,000** to the Vehicle Theft Prevention
24 Fund;

25 3. To the Maryland Automobile Insurance Fund:

26 A. Except for fiscal year 2024 and except as provided under
27 items C and D of this item, the amount distributed to the Maryland Automobile Insurance
28 Fund in the prior fiscal year under the provisions of this paragraph adjusted by the change
29 for the calendar year preceding the fiscal year in the Consumer Price Index – All Urban
30 Consumers – Medical Care as published by the United States Bureau of Labor Statistics;

31 B. For fiscal year 2024, the amount distributed to the
32 Maryland Automobile Insurance Fund in the prior fiscal year under the provisions of this
33 paragraph adjusted by the change for the calendar year preceding the fiscal year in the
34 Consumer Price Index – All Urban Consumers – Medical Care as published by the United
35 States Bureau of Labor Statistics plus an additional \$2,000,000; [and]

C. For fiscal year 2025, the amount distributed to the Maryland Automobile Insurance Fund calculated in accordance with item A of this item, **AS THAT ITEM EXISTED ON SEPTEMBER 30, 2024**, excluding the \$2,000,000 distributed to the Fund in fiscal year 2024; and

D. FOR FISCAL YEAR 2026, \$6,000,000;

4. \$2,000,000 TO THE DRIVER EDUCATION IN PUBLIC SCHOOLS FUND;

5. \$600,000 TO THE STATE-AIDED INSTITUTIONS FIELD TRIP FUND; AND

[4.] 6. The balance to the General Fund.

(3) Beginning July 1, 2018, any uninsured motorist penalties the Administration receives under the Program to Incentivize and Enable Uninsured Vehicle Owners to Be Insured established under § 20–612 of the Insurance Article shall be paid to the Uninsured Division of the Maryland Automobile Insurance Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2024.