

SB0705 - MVA - Surviving Spouse - SUPP_FINAL.pdf

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February 22, 2023

The Honorable William C. Smith, Jr.
Chair, Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis MD 21401

RE: Letter of Support – Senate Bill 705 – Vehicle Laws – Certificate of Title – Surviving Spouse

Dear Chair Smith and Committee Members:

The Maryland Department of Transportation (MDOT) supports Senate Bill 705 as a customer service improvement to ease the financial burden on surviving spouses retitling a vehicle in their name.

Senate Bill 705 allows the MDOT Motor Vehicle Administration (MVA) to issue a new certificate of title for all surviving spouses at no charge. Currently, the MVA must charge a \$100 fee when a surviving spouse is not listed on the vehicle title but charges no fee when a surviving spouse is a joint vehicle owner with the decedent.

Maryland law requires the fee for the new certificate of title issued in a surviving spouse's name, but exempts paying Maryland excise tax on such a transfer of ownership transaction as it is recognized as a "gift" transfer under existing eligibility requirements. The MVA seeks to waive the retitling fee in these instances and standardize eligibility requirements for all surviving spouses. Senate Bill 705 will allow the surviving spouse to continue to use the vehicle without additional financial hardships associated with the loss of a spouse. Between April 1, 2021, to April 30, 2022, there were 5,118 transactions that required this fee.

In enacting Senate Bill 705, the MVA is seeking to ease the financial burden on surviving spouses dealing with the loss of a loved one in a manner that ensures fairness to all eligible would-be legal owners. For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant Senate Bill 705 a favorable report.

Respectfully submitted,

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