



**Maryland Department of Transportation**  
The Secretary's Office

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**Anthony G. Brown**  
Lt. Governor

**John D. Porcari**  
Secretary

**Beverley K. Swaim-Staley**  
Deputy Secretary

January 7, 2009

The Honorable Thomas V. "Mike" Miller, Jr.  
President, Maryland Senate  
State House, H-107  
Annapolis MD 21401

The Honorable Michael E. Busch  
Speaker, Maryland House of Delegates  
State House, H-101  
Annapolis MD 21401

Dear President Miller and Speaker Busch:

This letter is written in response to language set in Senate Bill 413, Chapter 578, Acts 2008, titled *Courts—Service of Process—Motor Vehicle Administration (MVA) as Agent for Nonresident Driver*. The language directs:

*"That the Motor Vehicle Administration shall report to the General Assembly on or before January 1 of each year, in accordance with §2-1246 of the State Government Article, the following information for the preceding calendar year:*

- 1. The total number of subpoenas, summonses, and other service of process issued in accordance with the provisions of this section;*
- 2. The number of instances in which the Motor Vehicle Administration failed to reach the individual being served and the reasons that those attempts failed;*
- 3. A breakdown of all direct and indirect costs incurred by the Motor Vehicle Administration in carrying out the requirements of this section; and*
- 4. The total fees collected by the Motor Vehicle Administration from persons requesting service of process under this section."*

The legislation designates the Motor Vehicle Administration (MVA) as the agent for a nonresident driver with regard to service of process related to a crash involving a motor vehicle driven by the nonresident. The bill allows the MVA to establish and collect a fee to recover the Administration's costs. The provisions apply prospectively to cases filed on or before October 1, 2008. As of November 24, 2008 the MVA has not collected any money stemming from this requirement. However, MVA anticipates a progressive increase in the volume of subpoenas issued and revenue collected from FY 2010 through FY 2013.

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MVA research reveals that in FY 04, non-resident drivers were involved in 59,694 crashes. The inherent difficulty with this requirement is that there is simply no way of knowing how many of non-resident accidents will result in litigation and of those how many plaintiffs will utilize the MVA to serve their process for a lawsuit. That makes it very challenging to pinpoint an exact cost (i.e., a fee associated with providing the service).

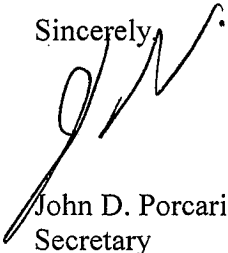
However, it is reasonable to assume that the number of subpoenas will gradually increase over time, in concert with the speed of actual litigation. Therefore, if the number of subpoenas issued by the MVA is 640 in FY 09 (representing about 1% of annual crashes with non-resident drivers), then the cost to the MVA would be approximately \$45,985. In the first full year of implementation, if the number of subpoenas processed by the MVA reaches 1,500, the resulting cost to the MVA would be \$84,593. These cost estimates include additional personnel, related employee costs, computer programming, and postage. When the total estimated FY 2009 and FY 2010 expenditures of \$130,578 are divided by 2,140, the estimated 640 subpoenas issued in FY 2009 and 1,500 estimated for FY 2010, the two year average cost per subpoena is approximately \$61.00 (\$130,578 divided by 2,140).

The MVA reports the following totals as of November 24, 2008:

- Number of Subpeonas and Summons issued ..... 0
- Number of Failed attempts to issue Subpeonas and Summons..... 0
- Cost incurred by the MVA..... \$5,693.74  
(MVA expended a total of 131 employee hours. These hours included: time spent meeting to discuss implementation; training for employees; and writing policy, procedures, and regulations.)
- Total Fees Collected..... \$0.00

If you have any questions concerning this report, please do not hesitate to contact Mr. John T. Kuo, Administrator, Motor Vehicle Administration at 410-767-7274. Of course, you should always feel free to contact me directly.

Sincerely,



John D. Porcari  
Secretary

cc: Mr. John T. Kuo, Administrator, Motor Vehicle Administration

bcc: Ms. Sarah Albert, Library Associate, Mandated State Agency Reports, Library & Information Services Division, Department of Legislative Services (5 copies – Note: MSAR #7366)  
Mr. Joe Bryce, Chief Legislative Officer, Governor's Office  
Mr. Jack Cahalan, Director, Office of Public Affairs, Maryland Department of Transportation  
Mr. Philip Dacey, Director, Legislative and Regulatory Compliance, Motor Vehicle Administration  
Ms. Jaclyn Dixon, Legislative Analyst, Office of Policy Analysis, Department of Legislative Services  
Mr. John Favazza, Chief of Staff, Speaker's Office, Maryland General Assembly  
Mr. Bruce W. Gartner, Assistant Director, Office of Policy and Governmental Affairs, Maryland Department of Transportation  
Mr. David Grossman, Budget Analyst, Department of Budget and Management  
Ms. Victoria Gruber, Legislative Assistant to the President, Maryland General Assembly  
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Ms. Kristen Jones, Chief of Staff, Speaker's Office, Maryland General Assembly  
Ms. Roxanne Langford, Manager, Driver & Vehicle Policies & Programs, Driver Education and Licensing, and Administrative Adjudication, MVA  
Mr. Jon Martin, Legislative Analyst, Department of Legislative Services  
Ms. Lynne B. Porter, Committee Staff, Legislative Policy Committee  
Ms. Wonza Spann-Nicholas, Deputy Director, Office of Finance, Maryland Department of Transportation  
Ms. Beverley Swaim-Staley, Deputy Secretary, Maryland Department of Transportation  
Mr. Jeff Tosi, State Legislative Analyst, Maryland Department of Transportation