

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1166 (Delegate Palakovich Carr)
Economic Matters and Environment and
Transportation

Motor Vehicles - Dealers - Front Registration Plate Display

This bill prohibits a motor vehicle dealer (as defined under § 15-101 of the Transportation Article) from delivering to the buyer or lessee a motor vehicle for which two registration plates are required unless the motor vehicle has front registration plate mounting hardware or the buyer or lessee signs a written statement acknowledging that (1) they declined the installation of the front registration plate mounting hardware and understand that State law requires the display of a registration plate on the front of the motor vehicle; (2) front registration plate mounting hardware is available from the dealer; and (3) failure to display a front registration plate is a misdemeanor subject to a fine up to \$500. On a monthly basis, a dealer must report to the Motor Vehicle Administration (MVA) the name of each buyer or lessee who signed this written statement.

Fiscal Summary

State Effect: MVA can implement the reporting requirement with existing budgeted resources. The bill may have a (currently unquantifiable) effect on traffic fine and toll collection revenues, as discussed below.

Local Effect: The bill does not directly affect local government operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: All vehicles are required to display two registration plates, unless they are in one of five vehicle classes. Class D (motorcycle), Class F (tractor), and Class G (trailer) vehicles are exempt from the two-registration-plate requirement. In addition, a Class L (historic) or Class N (street rod) vehicle is exempt if the vehicle was manufactured 50 years or more before the current model year. Class F vehicles are required to display the

registration plate on the front of the vehicle. Historic and antique vehicles must display a current registration plate in the place provided on the vehicle. In addition, MVA must issue only one plate for vehicles with temporary registration.

An owner of a motor vehicle may not drive the vehicle or permit it to be driven on any highway in Maryland without validated registration plates, unless otherwise expressly authorized by MVA. Expired registration plates may not be displayed. A violation of these provisions is a misdemeanor, subject to a fine of up to \$500 or a prepayment fine of \$70.

State Fiscal Effect: The bill (1) requires dealers to deliver vehicles with front plate mounting hardware or the purchaser or lessee of a vehicle to sign a written statement acknowledging the lack of hardware and related consequences and (2) requires dealers to report to MVA buyers or lessees who sign these written statements. However, it is unclear what MVA is to do with this information. Enforcement of the two-plate law is conducted by law enforcement; MVA does not have independent enforcement authority.

Information is not available as to how many car owners or lessees fail to affix a front plate due to a lack of hardware. To the extent the bill results in the increased installation of front registration plates, the bill may have downstream effects, including (1) reduced fines for violation of the two-plate law and (2) increased toll collections. In fiscal 2025, there were 3,937 violations for driving with only one registration plate. The Maryland Transportation Authority (MDTA) advises that it uses camera images of both the front and rear license plate to identify vehicles passing through toll facilities (if an E-ZPass is not present). If the rear plate is obscured or the image is distorted, MDTA relies on the front plate to determine who owes the toll. Any such effects generated *solely* by the bill cannot be reliably quantified at this time.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2026
caw/aad

Analysis by: Toni Heo

Direct Inquiries to:
(410) 946-5510
(301) 970-5510