


FROM	NAME & TITLE	William Voorhees, Ph.D. <i>WV</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Director of Revenue and Tax Analysis Department of Finance Room 545, City Hall (396-4961)		
	SUBJECT	City Council Bill 16-0687 – Valet Parking – Offenses by Operators and Hosts		

TO Honorable President and
 Members of the City Council
 C/O Natawna B. Austin
 Room 545, City Hall

DATE: August 5, 2016

City Council Bill 16-0687 – Valet Parking – Offenses by Operators and Hosts –corrects an inadvertent omission in the statutory list of offenses by valet parking operators and modifies the fines to be imposed for various valet-parking-related offenses based on their relative severity.

Analysis

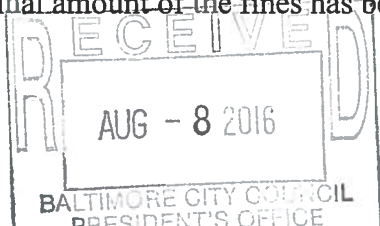
This bill will correct an omission in the statutory list of offenses committed by valet parking operators and modifies the fines imposed for certain valet-parking-related offenses based on their relative severity. The correction of the omission of the potential violation of “providing valet parking services that unreasonably disrupt vehicular or pedestrian traffic,” is likely to have a minimal effect on the issuance of citations for valet parking violations.

Similarly, changes to the fine amount that accompanies that citation are not expected to have a large fiscal impact. Currently, all citation recipients have 30 days from the date they receive their citation to either request a hearing before the Environmental Control Board (ECB), or pay the fine. If neither action is taken, the fine goes into default status and the amount due is tripled, up to a maximum of \$1,000 in penalties on top of the original fine. So, a \$500 fine becomes a \$1,500 balance due, while a \$1,000 fine becomes a \$2,000 balance due.

Fiscal Impact

The Department of Transportation issued a total of 131 citations between August and November of 2015, before ceasing the issuance of citations in favor of written warnings. Those 131 citations were issued to operators and hosts at 41 unique locations and accounted for initial fines in the amount of \$87,000.

Not all citations are paid in full, some being reduced at ECB hearings while others end up in default and can be tripled. The actual amount that ends up being owed to the City often bears little resemblance to the amount of the original fines. For the fines issued in the four month span of valet parking enforcement, \$27,900 of the \$87,000 was paid. However, while 35 of the 131 citations now have no remaining balances due, the remaining 96 citations account for open balances totaling \$83,455. In summary, 32.1% of the original amount of the fines has been paid.



Defers to DOT

Because the purpose of fines is to prevent or require specific actions and not for revenue generation, the first consideration in setting fines is do they accomplish the desired result? It is uncertain if the reduction in the amount of the fines is likely to effect the behavior of the habitual violators.

The Finance Department does not foresee a substantive fiscal cost or benefit to the proposed changes proposed.

Recommendation

The Department of Finance defers to the Department of transportation on passage of CCB 16-0687.

CC: Henry Raymond
Natawna Austin