M1 4 lr 0 297 (PRE-FILED) CF HB 239

By: Chair, Education, Energy, and the Environment Committee (By Request – Departmental – Natural Resources)

Requested: September 15, 2023

Introduced and read first time: January 10, 2024 Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

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Natural Resources - State Boat Act - Alterations

3 FOR the purpose of altering the definition of "personal watercraft" and "personal flotation 4 device" for purposes of the State Boat Act; repealing the definition of "Class A vessel" 5 for purposes of the State Boat Act; repealing the definition of "personal flotation 6 device" for certain waterskiing restrictions; repealing certain advertising and public 7 hearing requirements for proposed regulations implementing provisions of the State 8 Boat Act: altering the fees for manufacturer and dealer licenses, certificates of 9 number, Maryland use stickers, and the issuance of certificates of title, transfers of 10 title, or duplicate or corrected certificates of title; requiring that certain vessels 11 equipped with a sail be numbered for identification; authorizing the owner of certain 12 vessels to apply to the Department of Natural Resources for a nonmotorized vessel 13 decal; authorizing the Department to establish or alter certain speed zones and 14 vessel prohibition zones by public notice; altering requirements for a personal 15 flotation device worn by a child in certain vessels; and generally relating to the State 16 Boat Act.

17 BY repealing and reenacting, without amendments,

Article – Natural Resources

19 Section 8–701(a)

20 Annotated Code of Maryland

21 (2023 Replacement Volume and 2023 Supplement)

22 BY repealing and reenacting, with amendments,

Article – Natural Resources

24 Section 8–701(m), 8–710(a) and (c), 8–712(a) through (d), 8–712.1, 8–712.3(a) and

(b), 8–716(b) and (c), 8–725(c), and 8–743(a) and (b)(1)

26 Annotated Code of Maryland

27 (2023 Replacement Volume and 2023 Supplement)

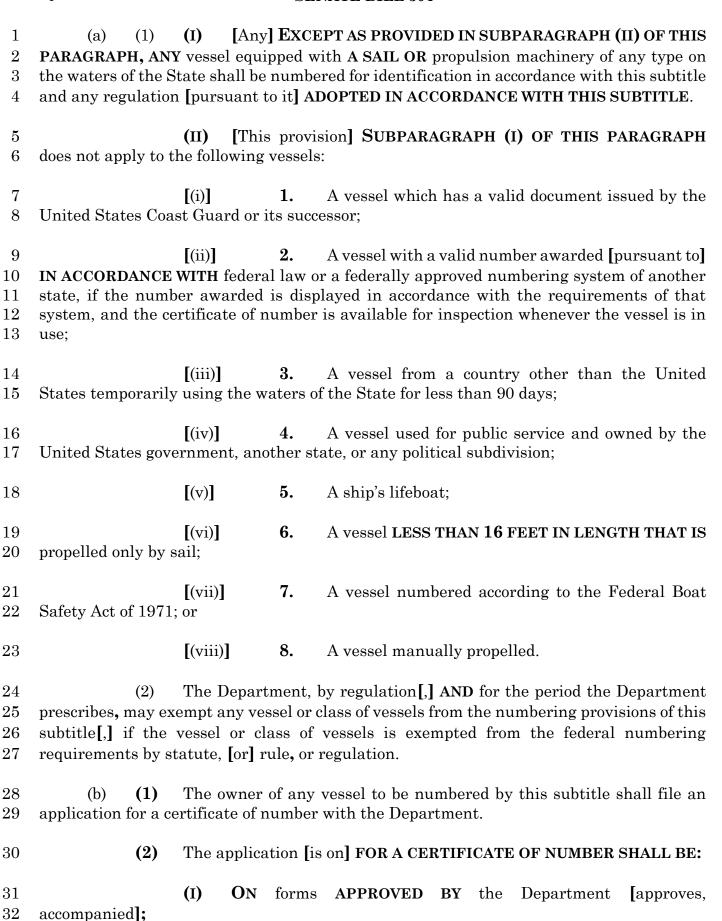
EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1	BY repealing								
$\overline{2}$	Article – Natural Resources								
3									
	Annotated Code of Maryland								
4	·								
5	(2023 Replacement Volume and 2023 Supplement)								
6	BY adding to								
7	Article – Natural Resources								
8	Section 8–712.4 and 8–725.9								
9	Annotated Code of Maryland								
0	(2023 Replacement Volume and 2023 Supplement)								
1	BY renumbering								
2	Article – Natural Resources								
13									
	Section 8–704(f) through (i)								
4	to be Section 8–704(e) through (h), respectively								
5	Annotated Code of Maryland								
16	(2023 Replacement Volume and 2023 Supplement)								
17	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,								
18	That the Laws of Maryland read as follows:								
9	Article - Natural Resources								
20	8–701.								
10									
21	(a) In this subtitle the following words have the meanings indicated.								
22	(m) (1) "Personal watercraft" means a [Class A vessel that:								
23	(1) Has an inboard motor which uses an internal combustion engine								
24	powering a water jet pump as its primary source of motive propulsion;								
25	(2) Is designed for the operator and passenger to ride on the outside								
26	surfaces of the vessel rather than inside the vessel;								
27	(3) Has the probability that the operator and passenger may, in the normal								
28	course of use, fall overboard; and								
29	(4) Is designed with no open load—carrying area which would retain water]								
30	VESSEL THAT IS:								
31	(I) PROPELLED BY A WATER-JET PUMP OR OTHER TYPE OF								
32	MACHINERY AS ITS PRIMARY SOURCE OF MOTIVE POWER; AND								
کر	MACHIMENT AS ITS INIMANT SOUNCE OF MOTIVE FOWER, AND								

- 1 (II) DESIGNED TO BE OPERATED BY A PERSON SITTING, 2 STANDING, OR KNEELING ON THE VESSEL.
- 3 (2) "PERSONAL WATERCRAFT" DOES NOT INCLUDE A VESSEL THAT IS
 4 DESIGNED TO BE OPERATED BY A PERSON SITTING, STANDING, OR KNEELING IN THE
- 5 VESSEL'S HULL.
- 6 8–704.
- [(e) Department regulations do not become effective unless advertised publicly in at least 2 daily newspapers of general circulation and at least 1 weekly newspaper serving the area or areas involved at least 45 days before the effective date. If 50 citizens of the State file a petition with the Department at least 15 days prior to the effective date, the Department shall conduct a public hearing on the proposed regulations.]
- 12 8–710.
- 13 (a) A manufacturer or dealer may not conduct [his] business in the State unless 14 licensed as a manufacturer or dealer [pursuant to] IN ACCORDANCE WITH regulations 15 ADOPTED BY the Department [adopts].
- 16 (c) **(1)** Application for a manufacturer's or dealer's license is made on the form 17 the Department prescribes and contains the name and address of the applicant.
- 18 **(2)** If the applicant is a partnership, the application shall include the name 19 and address of each partner.
- 20 **(3)** If the applicant is a corporation, the application shall contain the names of the principal officers of the corporation, the state of incorporation, the addresses of every place where the business is conducted, the nature of the business, and any other information the Department requires.
- 24 **(4)** Every application shall be verified by oath or affirmation of the applicant if an individual, or by the partner or officer if the applicant is a partnership or corporation.
- 27 **(5)** (I) A license fee [fixed by the Department not to exceed \$25] shall 28 accompany every application.
- 29 (II) THE DEPARTMENT SHALL SET THE LICENSE FEE AT AN 30 AMOUNT NOT TO EXCEED \$50.
- 31 8–712.



1	(II) ACCOMPANIED by the requisite fee[,]; and [signed]
2	(III) SIGNED by every vessel owner.
3 4	(c) (1) (I) Certificates of number issued under this section shall be valid for a period not to exceed 2 years.
5 6	(II) The owner of the vessel may apply every other year for renewal of the certificate.
7 8 9 10 11	(III) The renewed certificate shall expire on December 31 of the calendar year following the year the certificate is issued. [The fee for a 2-year certificate for vessels is \$24. Vessels 16 feet in length or less and equipped with a 7 1/2 horsepower motor or less are exempt from this fee. The fee to replace a lost, destroyed, or corrected certificate is \$2.]
12 13	(IV) The Department shall record any transaction or transfer of numbered boats.
14 15	(V) The Department may record any amount of money owing on a vessel required to be numbered at the time of sale.
16 17 18	(VI) The Department may not effect a transfer of ownership until the amount of money owed as shown on the records of the Department is fully paid or recorded on the new title.
19 20 21	(VII) Any vessel that is required to be numbered under this section that is exempt [prior to] BEFORE January 1, 1974, shall be exempt from payment of [this title] THE EXCISE tax IMPOSED UNDER § 8–716 OF THIS SUBTITLE.
22 23 24	(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, AN APPLICATION FOR A CERTIFICATE OF NUMBER SHALL BE ACCOMPANIED BY THE FOLLOWING FEES:
25 26	(I) VESSEL LESS THAN 16 FEET IN LENGTH AND EQUIPPED WITH A 7.5 HORSEPOWER MOTOR OR LESS\$20
27 28	(II) VESSEL LESS THAN 16 FEET IN LENGTH AND EQUIPPED WITH A MOTOR MORE THAN 7.5 HORSEPOWER
29	(III) VESSEL 16 FEET TO LESS THAN 32 FEET IN

30

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(1)

Department requires and be signed by every owner of the vessel; and

1 2	LENGTH	(IV)	VESSEL	32	FEET	то	LESS	THAN	45	FEET\$	IN 3100
3		(v)	VESSEL 4	15 FE	ET TO 65	5 FEET	Γ IN LEN	IGTH	•••••	\$	3125
4		(VI)	VESSEL I	LONG	ER THAI	N 65 F	EET	•••••	•••••	\$	3150
5		(VII)	REPLACE	EMEN	T OR CO	RREC	TED CE	RTIFICA	ΛΤΕ	• • • • • • • • • • • • • • • • • • • •	.\$20
6 7	(3) or rescue squads in		gency rescu land:	ue boa	ats and f	ire boa	ats that	belong to	o fire	departm	ents
8 9	FOR A CERTIFICA	(i) TE OF	Shall be end NUMBER;	_	ot from a	all reg	istration	n fees, IN	NCLU	DING A	FEE
0		(ii)	Shall appl	ly for	a registr	ation	renewal	every 3	years.		
1 12 13	(d) (1) shall issue to the apissued to the vesse	pplicar		ate of	boat nun	nber w	hich sha	all contai	n the	boat nur	nber
14 15	(2) the vessel is in use		ertificate o	of boa	t numbe	r shal	l be ava	ilable fo	r insp	ection w	vhen
16 17 18	(3) forward half of the displaying the bos maintaining the bos	e vesse at nur	nber in th	supe e ma	rstructu .nner red	re for quired	which t	he boat	numb	er is iss	ued,
20	8–712.1.										
21 22 23	(a) (1) States] U.S. Coas pleasure shall app	st Gua		at is	used pri	ncipal	ly on th	ne water	•	_	
24 25	(2) submits an applica		Department nd pays a f							-	who
26 27 28	(3) period not to excee year the sticker is	ed 2 ye									
29	(b) The o	wner c	of the vesse	l shal	1:						

Submit an application to the Department on the form that the

$\frac{1}{2}$	(2) Pay to the Department [an application fee of \$10 for the 2—year sticker.] THE FOLLOWING FEES:
3 4	(I) VESSEL LESS THAN 16 FEET IN LENGTH AND EQUIPPED WITH A 7.5 HORSEPOWER MOTOR OR LESS\$20
5 6	(II) VESSEL LESS THAN 16 FEET IN LENGTH AND EQUIPPED WITH A MOTOR MORE THAN 7.5 HORSEPOWER
7 8	(III) VESSEL 16 FEET TO LESS THAN 32 FEET IN LENGTH
9 10	(IV) VESSEL 32 FEET TO LESS THAN 45 FEET IN LENGTH
11	(V) VESSEL 45 FEET TO 65 FEET IN LENGTH\$125
12	(VI) VESSEL LONGER THAN 65 FEET\$150
13	(VII) REPLACEMENT STICKER\$20
14 15	(c) Within 30 days after the sale or other transfer of a vessel that is displaying or should display a sticker under this section:
16 17	(1) The transferor shall give notice of the transfer to the Department on a form that the Department requires; and
18 19 20	(2) If the transferee intends to continue to use the vessel principally on the waters of the State, the transferee shall submit an application for a Maryland use sticker and pay the fee as required [by] UNDER subsection (b) of this section.
21 22	(d) The Maryland use sticker shall be displayed on or about the forward half of the vessel.
23 24	(e) Unless the vessel that is subject to the requirement of this section displays a current sticker:
25	(1) A person may not operate the vessel on the waters of the State; and
26 27	(2) The owner may not knowingly [permit] ALLOW the vessel to be operated on the waters of the State.
28	8–712.3.

1 In this section the following words have the meanings indicated. (a) (1) 2 "Livery vessel owner" means a person who engages in whole or in part (2) 3 in the business of renting, leasing, or chartering a [Class A] vessel THAT IS LESS THAN 16 **FEET IN LENGTH** for a period of less than 24 hours. 4 ["Class A vessel" means a motorboat that is less than 16 feet in length 5 6 as defined by the U.S. Coast Guard in 46 C.F.R. § 24.10–17. 7 "Seaworthy condition" means the ability to withstand ordinary stress of 8 wind, waves, and other weather that the vessel might normally be expected to encounter. 9 (b) A livery vessel owner or an agent or employee of the livery vessel owner may not rent or offer for rent a [Class A] vessel THAT IS LESS THAN 16 FEET IN LENGTH to be 10 operated on the waters of the State unless: 11 12 Each vessel is in seaworthy condition and equipped for the waters where the vessel is intended to be used; and 13 14 The livery vessel owner or agent or employee of the livery vessel owner 15 possesses a boating safety certificate approved by the Department. 16 8-712.4.AN OWNER OF A VESSEL MAY APPLY TO THE DEPARTMENT FOR A 17 (A) **(1)** NONMOTORIZED VESSEL DECAL IF THE VESSEL IS: 18 19 (I)NOT EQUIPPED WITH PROPULSION MACHINERY; 20 (II) USED PRINCIPALLY ON THE WATERS OF THE STATE; AND 21(III) NOT SUBJECT TO THE REQUIREMENTS OF § 8–712 OR § 22 8–712.1 OF THIS SUBTITLE. 23 **(2)** THE OWNER SHALL APPLY FOR A NONMOTORIZED VESSEL DECAL ON A FORM APPROVED BY THE DEPARTMENT. 2425 (B) A NONMOTORIZED VESSEL DECAL: 26 **(1)** IS VALID FOR A PERIOD NOT TO EXCEED 2 YEARS; AND 27 **(2)** EXPIRES ON DECEMBER 31 OF THE CALENDAR YEAR FOLLOWING

THE FEE FOR A NONMOTORIZED VESSEL DECAL IS \$12.

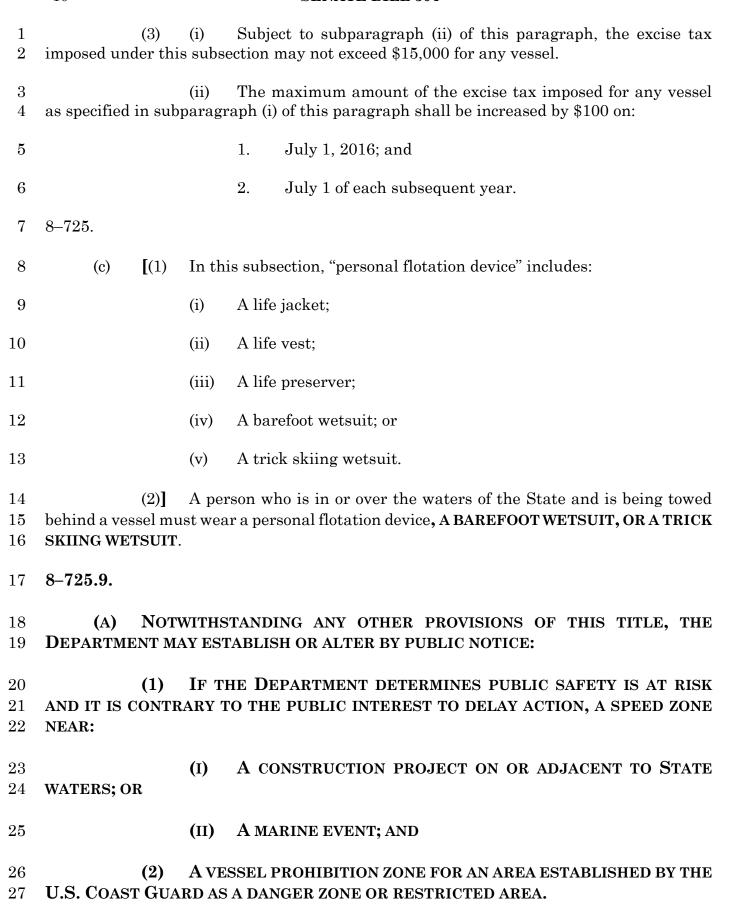
THE YEAR THE DECAL WAS ISSUED.

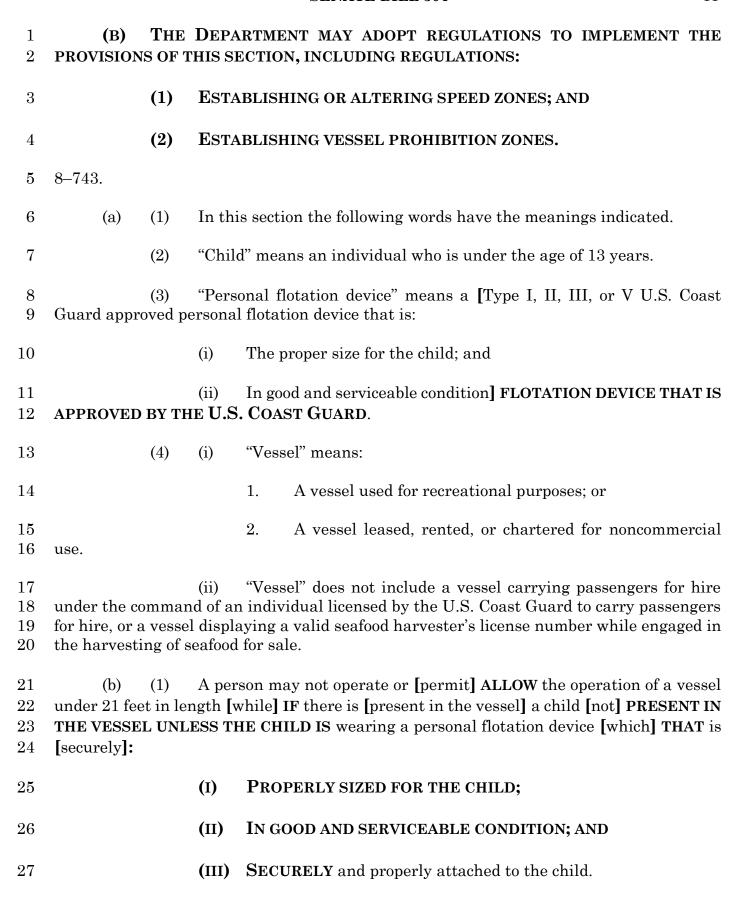
(C)

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- 1 (D) THE NONMOTORIZED VESSEL DECAL SHALL BE DISPLAYED ON THE 2 EXTERIOR OF THE VESSEL.
- 3 (E) WITHIN 30 DAYS AFTER THE SALE OR OTHER TRANSFER OF A VESSEL 4 DISPLAYING A NONMOTORIZED VESSEL DECAL UNDER THIS SECTION:
- 5 (1) THE TRANSFEROR SHALL GIVE NOTICE OF THE TRANSFER TO THE 6 DEPARTMENT ON A FORM THAT THE DEPARTMENT REQUIRES; AND
- 7 (2) If the transferee intends to continue to use the vessel 8 PRINCIPALLY ON THE WATERS OF THE STATE, THE TRANSFEREE MAY SUBMIT AN 9 APPLICATION FOR A NONMOTORIZED VESSEL DECAL AND PAY THE FEE REQUIRED 10 UNDER SUBSECTION (C) OF THIS SECTION.
- 11 8–716.
- 12 (b) The Department shall charge a [\$2] **\$20** fee to issue a certificate of title, a 13 transfer of title, or a duplicate or corrected certificate of title.
- (c) (1) Subject to the limitation under paragraph (3) of this subsection and except as provided in § 8–715(d) of this subtitle and in subsections (e) and (f) of this section, and in addition to the fees prescribed in subsection (b) of this section, an excise tax is levied at the rate of 5% of the fair market value of the vessel on:
- 18 (i) The issuance of every original certificate of title required for a 19 vessel under this subtitle:
- 20 (ii) The issuance of every subsequent certificate of title for the sale, 21 resale, or transfer of the vessel;
- 22 (iii) The sale within the State of every other vessel; and
- 23 (iv) The possession within the State of a vessel used or to be used 24 principally in the State.
- 25 (2) (I) Notwithstanding the provisions of this subsection, no tax is paid on issuance of any certificate of title if the owner of the vessel for which a certificate of title is sought was the owner of the vessel [prior to] BEFORE June 1, 1965, or paid Maryland sales and use tax on the vessel as required by law at the time of acquisition.
- 29 (II) The Department may require the applicant for titling to submit satisfactory proof that the applicant owned the vessel [prior to] BEFORE June 1, 1965.





- SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 8–704(f) through (i) of Article Natural Resources of the Annotated Code of Maryland be renumbered to be Section(s) 8–704(e) through (h), respectively.
- $_{\rm 4}$ SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 5 $\,$ 1, 2024.