

Department of Legislative Services
 Maryland General Assembly
 2014 Session

FISCAL AND POLICY NOTE

House Bill 540 (Delegate Beidle)
 Environmental Matters

Motor Vehicles - Motor Scooters and Mopeds - Titling for Nonresidents

This bill authorizes a nonresident to apply for a certificate of title for a moped or motor scooter upon certification that the vehicle will be used principally in Maryland.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) revenues increase minimally due to the collection of vehicle excise taxes, title fees, title lien fees, and new decal fees. General fund revenues may increase minimally due to the collection of additional insurance premium taxes. TTF expenditures increase by about \$11,900 in FY 2015 only for contractual reprogramming of external computer systems. TTF expenditures increase further to the extent that a significant number of title applications is received under the bill and necessitates the addition of a contractual position in FY 2015; it is assumed, however, that the number of such applications is minimal.

(in dollars)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
GF Revenue	-	-	-	-	-
SF Revenue	-	-	-	-	-
SF Expenditure	\$11,900	\$0	\$0	\$0	\$0
Net Effect	(\$11,900)	\$0	\$0	\$0	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: The bill is not anticipated to materially affect local operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law/Background: Generally, the owner of each vehicle in Maryland that has not been issued a certificate of title must apply to the Motor Vehicle Administration (MVA) for a certificate of title; however, a vehicle owned by a nonresident and not required by law to be registered in Maryland is exempt from this titling requirement.

Chapters 210 and 211 of 2012 required mopeds and motor scooters to be titled and also established requirements for security (insurance) coverage of these vehicles. MVA must also issue a permanent decal with a unique number sequence to the owner of a moped or motor scooter issued a certificate of title upon payment of a \$5 fee. The owner must display the decal on the vehicle as prescribed by MVA regulations. Mopeds and motor scooters are not subject to vehicle registration, and MVA does not issue registration plates for these vehicles.

State Fiscal Effect: Any TTF or general fund impact is anticipated to be minimal as the bill is anticipated to apply to a very limited number of vehicles annually. The bill only applies to mopeds and motor scooters that are owned by nonresidents. Additionally, the bill authorizes, but does not require, the titling of mopeds and motor scooters by nonresidents. Thus, the bill may only result in a minimal number of additional mopeds and motor scooters being titled in Maryland and generating the various fees and taxes associated with the titling of a moped or motor scooter.

To the extent that a significant number of mopeds and motor scooters become titled by nonresidents under the bill's authorization, the TTF impact may be more significant. Additionally, MVA has estimated that, if the bill results in a significant number of titling transactions in fiscal 2015 due to pent-up demand, it may need one additional contractual position for one year to process the transactions at a cost of about \$28,500. However, this fiscal and policy note assumes that, notwithstanding any pent-up demand by nonresidents for the titling of a moped or motor scooter, the number of transactions is relatively minimal.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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mm/ljm

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