Department of Legislative Services

Maryland General Assembly 2024 Session

FISCAL AND POLICY NOTE Third Reader - Revised

House Bill 972 (Delegate Boyce)

Environment and Transportation

Judicial Proceedings

Motor Vehicles - Off-Highway Vehicles - Clarifications and Revisions

This bill (1) clarifies the definition of an "off-highway recreational vehicle" (OHRV), including a "dirt bike"; (2) repeals the definition of and references to a "motorized minibike"; (3) clarifies that the court must notify the Motor Vehicle Administration (MVA) if a child has violated the prohibition of using an OHRV on a highway; (4) requires a dealer that sells OHRVs to provide electronic titling services, as specified; (5) authorizes a local jurisdiction to enforce the operation of OHRVs within its jurisdiction, as specified; and (6) establishes procedures for the reclamation and forfeiture of impounded OHRVs.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances; MVA and the Judiciary can implement the bill with existing budgeted resources, as discussed below. The Department of State Police can handle enforcement with existing budgeted resources. Potential minimal increase in Transportation Trust Fund (TTF) revenues from title fees.

Local Effect: Although reclamation and forfeiture provisions for OHRVs enacted by local governments may have an operational effect, the net fiscal impact is generally assumed to be minimal, as discussed below.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary/Current Law:

Definitions - "Off-highway Recreational Vehicle" and "Off-highway Motorbike"

Currently, "OHRV" means (1) a snowmobile; (2) a motor-assisted or motor-driven vehicle commonly known as an all-terrain vehicle (ATV) or a side-by-side utility vehicle, as

specified; or (3) a motorcycle designed for off-highway operation not eligible for registration as a Class D (motorcycle) vehicle, commonly known as a dirt bike. "OHRV" does not include a farm vehicle, as specified; any vehicle used on residential property for landscaping, gardening, or lawn care; or an electric bicycle.

Under the bill, "OHRV" means a vehicle that is an ATV, a side-by-side utility vehicle, an "off-highway motorbike," or a snowmobile. A moped, a motor scooter, and an electric low-speed scooter are added to the existing vehicles not included as an OHRV. The bill defines a "dirt bike" as an "off-highway motorbike," which is a motor vehicle that (1) has a design similar to a motorcycle; (2) is built for off-highway operation; and (3) is not eligible for registration as a Class D (motorcycle) vehicle under the Transportation Article.

Under the bill, MVA may establish by regulation other authorizations for or limitations on the definition of "OHRV." Also, by repealing an existing exemption, a certificate of title is now also required for an OHRV purchased before October 1, 2010. Under current law, other OHRVs (as currently defined) must already hold a certificate of tile.

Unauthorized Use of an Off-highway Recreational Vehicle by a Child

An unregistered vehicle may not be driven on a highway in the State. An OHRV is not required to be registered.

Currently, pursuant to § 3-8A-23 of the Courts and Judicial Proceedings Article, an adjudication of a child as delinquent (or a finding that a child has committed a delinquent act without adjudication) by reason of the child's violation of the Maryland Vehicle Law involving driving an OHRV on a highway, must be reported by the clerk of the court to MVA, for suspension of the child's license to drive for six months for a first adjudication or finding of delinquency and for one year for a subsequent adjudication or finding. A child is defined as an individual younger than age 18.

The bill clarifies the provisions of § 13-401(b) of the Transportation Article (consistent with the provisions of § 3-8A-23 of the Courts and Judicial Proceedings Article) by specifying that, if a child has been adjudicated delinquent for (or a finding has been made that a child committed) a violation of using an OHRV on a highway, the court must notify MVA of the adjudication or finding.

Sale of an Off-highway Recreational Vehicle

Currently, any dealer, or its agent or employee, and any salesmen, or any other person, who sells a motorized minibike must inform the buyer in writing that a motorized minibike may not be driven on the highway in the State, and that the use of the motorized minibike may

be limited by a local law, ordinance, and regulation. The bills repeals "motorized minibike" in the aforementioned provisions and replaces it with "OHRV."

The bill also requires a dealer that sells OHRVs to (1) provide electronic titling services to a purchaser of an OHRV or (2) have a continuing contract with an entity that provides to the dealer electronic titling service for OHRVs.

Driving or Operating an Off-highway Motorbike

Currently, on portions of a highway in the State where driving an ATV or a snowmobile is authorized, an individual may not drive or attempt to drive these vehicles unless they hold a valid driver's license or are expressly exempt from the driver's license requirements. The bill adds an "off-highway motorbike" to this provision.

The bill also adds an "off-highway motorbike" to the types of vehicles (currently an ATV or a snowmobile) that a person in Allegany County and Garrett County:

- may operate, subject to the rights granted, and duties required, under the applicable provisions of local law;
- may operate on a State highway, when crossing or traveling on the State highway, including for the sole purpose of gaining access to trails, or another area, as specified; and
- may not operate on a controlled access highway.

Dirt Bike Offenses in Baltimore City

Currently, except as otherwise specified, a person may not dispense motor fuel into a dirt bike from a retail pump at a service station in Baltimore City. The bill replaces "dirt bike" with "an OHRV" in this provision.

Powers of Local Authorities

Currently, each county and Baltimore City may regulate the operation of "off-the-road motorcycles," as defined, require them to be registered, and charge a registration fee. The bill repeals this provision. Instead, a local jurisdiction may, within its jurisdiction, (1) enforce the Maryland Vehicle Law for violations involving an OHRV on a highway and (2) enact and implement local legislation governing the lawful impoundment (and conditions for release) of an OHRV for which the driver is issued a citation for a moving violation under the Maryland Vehicle Law involving the use of an OHRV.

Also, the bill repeals the provision authorizing a local jurisdiction to require a motorized minibike to be permitted and to impose a permit fee.

Procedures for Reclamation and Forfeiture of Impounded Off-highway Recreational Vehicles

A local jurisdiction that has enacted local legislation governing the lawful impoundment of OHRVs, as specified, must follow certain procedures for reclamation and forfeiture. As soon as reasonably possible and within seven days after taking an OHRV into custody, a police department must send a specified notice, to the last individual, who, according to MVA, has title to the OHRV. Among other things, the notice must (1) inform the owner of the right to reclaim the OHRV within three weeks after the date of the notice, after paying all towing and removal, preservation, and storage charges related to taking the OHRV into custody and (2) state that the failure of the owner to exercise the right to reclaim the OHRV within the time specified constitutes:

- a waiver by the owner of all right, title, and interest in the OHRV;
- a consent to the sale or disposal of the OHRV in the discretion of the police department; and
- a consent to the retention of the OHRV for public purposes.

The owner has three weeks after that notice is given within which to reclaim the OHRV, as specified. If the owner fails to reclaim the OHRV within that timeframe, or if the owner's identity is unknown, the owner is deemed to have waived their right, title, and interest in the OHRV and consented to sale or other disposal of the OHRV by the police department or retention of the OHRV for public purposes.

If the police department sells the OHRV at public auction after forfeiture, the buyer (1) takes ownership of the OHRV, free and clear of any claim of ownership or lien; (2) is entitled to a sales receipt from the police department on an approved MVA form and a salvage certificate for the vehicle; and (3) may obtain a certificate of title from MVA. The sales receipt constitutes title for transferring the OHRV to an automotive dismantler and recycler or scrap processor for dismantling, destroying, or scrapping, without obtaining a certificate of title issued by MVA.

Cross-references

The publisher of the *Annotated Code of Maryland*, in consultation with the Department of Legislative Services, is required to change cross-references and terminology throughout the code and to describe each change in an editor's note.

State Revenues: TTF revenues may increase minimally from fees to title OHRVs purchased before October 1, 2010, and OHRVs purchased by buyers at a public auction after forfeiture. The fee for each certificate of title for an OHRV is \$35, and the title decal fee is \$5.

State Expenditures: The Judiciary advises that implementation of the bill requires \$61,195 in one-time computer reprogramming costs to send required notices to MVA. However, it is unclear what computer programming is necessitated by the bill. Based on existing statutory requirements (as discussed below), the bill's notice provisions appear to be clarifying in nature. Pursuant to § 3-8A-23 of the Courts and Judicial Proceedings Article, the clerk of the court must report to MVA if a child has been adjudicated delinquent (or found to have committed a delinquent act without adjudication) by reason of the child's violation of § 13-401 of the Transportation Article involving driving an OHRV on a highway in the State. Thus, the bill's inclusion of a virtually identical requirement under § 13-401 of the Transportation Article does not require any additional tasks, since court clerks are currently required to report that information to MVA.

Local Fiscal Effect: Local governments that enact local legislation for reclamation and forfeiture of impounded OHRVs may incur costs for mailing reclamation notifications and towing and storing impounded OHRVs; however, these costs are mitigated by either such costs being charged to the owner at reclamation or proceeds from the sale of unclaimed OHRVs at public auction.

Small Business Effect: Expenditures for licensed dealers that qualify as small businesses may increase for providing, either directly or by contract, electronic titling services to a purchaser of OHRVs, as required by the bill.

Additional Information

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

Designated Cross File: None.

Information Source(s): Garrett and Prince George's counties; Judiciary (Administrative Office of the Courts); Department of State Police; Maryland Department of Transportation; Department of Legislative Services

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