



Wes Moore, Governor  
Aruna Miller, Lt. Governor  
Josh Kurtz, Secretary  
David Goshorn, Deputy Secretary

---

March 25, 2025

**BILL NUMBER: House Bill 719 – Third Reader**

**SHORT TITLE: Natural Resources – State Boat Act – Alterations**

**DEPARTMENT’S POSITION: SUPPORT**

**EXPLANATION OF DEPARTMENT’S POSITION**

---

The Department supports the third reader version of HB719. The proposed legislation, as amended, makes several updates to the State Boat Act to update fee structures for the first time since 1983, provide more flexibility to the Department when doing projects in support of the Boating public, and better align the Department’s statutes with related Federal definitions.

**Class A Vessel**

The bill updates the state’s definition of vessel. With the increased introduction of electronically propelled personal watercraft, better aligning our State's definition of vessel with the Federal definition will ensure that we are properly including such vessels moving forward. This will also allow the Department to better align with industry standards and continue in our long history of aligning state regulations with federal regulations. Different classes of vessels are also not recognized at the Federal level anymore, so it is necessary to remove the references to "Class A Vessel" to ensure continued alignment.

**Personal Floatation Device's**

The bill updates the state’s definition of a personal floatation device (PFD). The United States Coast Guard updated its PFD labeling requirements so that new PFDs are no longer identified by a type code. PFD labels now include an icon to better explain intended use. The legislative updates to the definition of PFD will remove old type code labeling but at the same time provide flexibility in authorizing all devices approved by the U.S. Coast Guard.

**Administrative Procedure Act Updates**

The bill brings into current practice and compliance the Department’s practice of public notification relating to the adoption of any boating regulations. The current provision pertaining to the adoption of boating regulations and publication in newspapers was created prior to the modern Maryland Administrative Procedure Act (APA) and creates a timeline that is at odds with the APA. Additionally, the Department follows a rigorous public notice process to ensure the public is aware of any proposed regulatory changes. That includes a scoping process, emails, social media postings, the legally required small business impact compliance guides, and discussions at open public meetings of advisory bodies, in addition to public comment and postings for the regulatory proposal process as required under the APA.

Contact: Emily Wilson, Director, Legislative and Constituent Services (Acting)  
[emilyh.wilson@maryland.gov](mailto:emilyh.wilson@maryland.gov) ♦ 410-260-8426 (office) ♦ 443-223-1176 (cell)

### **Voluntary Nonmotorized Vessel Decal**

This legislation creates a voluntary \$12 nonmotorized vessel decal that can voluntarily be purchased by individuals for placement on vessels that are not subject to other numbering requirements - such as kayaks or canoes. This program will in turn provide the Natural Resources Police with better information to match lost nonmotorized vessels with their owners and also make necessary determinations on the users' safety if a lost vessel is found on the waters of the State.

### **Fees**

The revenue derived from the various fees related to the State Boat Act are deposited into the State Boat Act Special Fund which is used to implement the State Boat Act at the Department. This revenue primarily funds Units involved in boating activities including Licensing and Registration, Natural Resources Police, and Fishing and Boating Services. Please see below for the specific impacts of this legislation. Registration fees are federally required to fund only the costs of administration of the registrations. That fee funds the Licensing and Registration Service. The costs of administering boat registrations has increased dramatically since 1983. The proposed fee is based on inflationary changes over the past 42 years and would bring that funding in line with those changes in order to cover actual costs of administration of registrations.

Again, these fees have been the same since 1983 - and because of that many of these do not fund the programs that they were originally intended to fund, and in turn the Department has to tap further into reserves or rely more heavily on other funds, including general funds. For example, the fee to register a boat every two years is proposed to go from \$24 every two years to \$70 every two years - this number was derived from using inflation to determine what the commensurate amount should be today compared to the 1983 level. The inflation-adjusted amount is actually higher at approximately \$73, but the cost was rounded down to \$70.

### **Waterway Improvement Fund (WIF) Financing**

The WIF is funded via the excise tax on vessel sales in the State as well as a small portion of the fuel tax attributed to motorized vessels. The WIF serves as the Department's primary fund source to provide grants for capital projects across the State in support of the general motorized boating public. The WIF provides funds to local and state government entities within Maryland for engineering and construction of public boating facilities, dredging of navigable channels, and rescue and safety vessels including buoy tenders and ice breakers. The Department has been unable to provide adequate funding to local governments due to both rising costs and statutory limitations for funding levels. This has caused some projects to not be pursued by local governments due to the matching requirements, or delays in projects in order to phase them in, which ultimately costs more money. This has created safety issues for facilities, inefficiencies and delays, and significant cost in both funding and staff time.

The bill as amended would address this by increasing that 100% funding ceiling from \$250,000 to \$500,000 for facility projects to support the boating public, and then setting a similar funding ceiling of \$1,000,000 for marina projects in support of the general boating public. Beyond these 100% funding levels, matching funds would then be required by the grant recipient/local government.

Additionally, the amount of operating funds that do not need legislative approval has historically been \$225,000 for service contracts related to public boat ramps plus \$175,000 for small projects for a total of \$350,000. The ceiling for 'small projects' had historically been \$5,000. However, this is no longer adequate due to the rising cost of facility repairs and small capital equipment needs due to inflation. The request is to increase this ceiling to \$25,000 while combining the service contract funding with the 'small project'

funding (\$225,000 plus \$175,000). This request does not have a fiscal impact as there is no request for additional funding, only a request to have the ability to distribute the funding at a higher threshold. The bill as amended restores text that was inadvertently removed. The amendment changes the 100% funding threshold to local governments from \$250,000 to \$500,000 for eligible construction projects in 8-708(b)(3)(i).

Lastly, the bill as amended changes the renewal time from three years to two years for emergency vessels, which would make the renewal time period consistent with all other vessel renewal time periods.

## **BACKGROUND INFORMATION**

---

A similar bill, SB 304/HB 239, was introduced in 2024.

Maryland Code § 8 - 701 updates occurred as follows: 2006 Md. HB 1234, Enacted- April 11, 2006; 2001 Md. HB 73- Enacted, May 18, 2001; 2002 Md. HB 1190- Enacted, April 25, 2002; 2003 Md. SB 305 - Enacted, April 8, 2003

In 2021, SB 305 included updates to align with the APA process among other updates and did not pass.

## **BILL EXPLANATION**

---

The bill as amended would raise certain fees and create a voluntary nonmotorized vessel decal and provide more fiscal flexibility in funding grants under the Waterway Improvement Fund. This bill would also update multiple Maryland statutes to align with the United States Coast Guard Federal Regulations and updates the public notice provision with current Administrative Procedures Act requirements.