

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 821 (Delegate C. Davis)

Commerce and Government Matters

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Vehicle Laws - All-Terrain Vehicles

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This bill provides for the registration of all-terrain vehicles (ATV) and establishes procedures for licensed dealers to comply with the requirements. The bill establishes requirements for the operation of such vehicles and establishes penalties for the failure to register such vehicles.

The bill is effective January 1, 1999.

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Fiscal Summary

**State Effect:** Minimal increase in offsetting Transportation Trust Fund revenues and expenditures. Indeterminate general fund revenue increase from surplus fee proceeds and from the penalty provisions applicable to this offense. Enforcement could be handled with existing resources.

**Local Effect:** None. Enforcement could be handled with existing resources.

**Small Business Effect:** Minimal.

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Fiscal Analysis

**Bill Summary:** This bill prohibits an individual from operating an ATV without the proper registration by the Motor Vehicle Administration (MVA). An ATV is defined as a self-propelled vehicle that is not more than 50 inches wide; has a dry weight of not more than 600 pounds; travels on at least three low pressure tires; and has a seat that is designed to be straddled by the operator. Also included as an ATV for the purposes of this legislation are minibikes, off-the-road motorcycles, or mopeds. The MVA must issue a registration card and a decal to the owner to be displayed on the vehicle. The MVA must establish a

registration fee from which it may retain the revenues necessary to recover its costs. Any remaining revenue must be credited to the general fund. Any individual who operates an ATV without the required registration will be subject to a fine of between \$50 and \$100. Additionally, a law enforcement officer may seize an ATV that is not registered by the MVA. The vehicle would then be considered an abandoned vehicle.

Licensed dealers of ATVs must provide the MVA with a completed application for registration and must collect and remit all fees within 20 days of the sale of an ATV. Owners of ATVs purchased before January 1, 1999 must register the vehicles before February 1, 1999. The applicant for registration must be at least 18 years old and the owner of the vehicle. An individual may not operate an ATV on a highway or without protective headgear and eyewear. Furthermore, in order to operate the vehicle on private property, an individual must obtain permission from the owner of the property. Violators of this provision are subject to a fine of up to \$500 under the Maryland Vehicle Law.

**State Effect:** It is estimated that 1,300 ATVs are sold annually in Maryland and approximately 25,000 are currently owned. The bill requires that all ATVs that are purchased before January 1, 1999 must be registered with MVA by February 1, 1999. It is estimated that each registration will take approximately five minutes to process by a Customer Service Representative. MVA advises that 2,083 hours of overtime would be needed in the month of January to process the initial registrations of 25,000 ATVs. Overtime costs would be approximately \$32,500 for January 1999 only. However, the Department of Legislative Services (DLS) advises that all the MVA branches may not be operating at full capacity. It is possible that some of the extra work could be performed without paying overtime. Additional minimal costs will be incurred by the MVA to produce registration cards, decals, and registration applications. The MVA can handle the subsequent annual registration applications and renewals with existing personnel and resources.

The MVA advises that computer programming expenditures could increase by an estimated \$50,000 to modify the computer programs to include an additional registration classification. DLS advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the MVA system. Further, DLS advises that the increased computer expenditure is simply an estimate and the MVA may be able to handle the changes with either less money than it estimates or existing resources. The MVA will set the registration fee at a level that will allow it to recover its costs. Any remaining revenue will be credited to the general fund. As a point of reference, the annual registration fee for motorcycles is \$18.50.

**Information Source(s):** Department of Transportation (Motor Vehicle Administration),  
Department of Legislative Services

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