

SENATE BILL 90

M1, Q7

(3lr0366)

ENROLLED BILL

— Budget and Taxation / Ways and Means —

Introduced by **Senator Astle**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 ~~Natural Resources – Vessel Excise Tax – Maximum Tax~~
3 ~~Motor Fuel Tax Distribution – Waterway Improvement Fund~~
4 Natural Resources – Vessel Excise Tax – Waterway Improvement Fund

5 FOR the purpose of *limiting the amount of the vessel excise tax to a certain amount for*
6 *each vessel; limiting the amount of the vessel excise tax to a certain amount for*
7 *each vessel; and generally relating to a limitation on the vessel excise tax*
8 *payable for each vessel* altering a certain distribution of certain motor fuel tax
9 revenue; requiring the Comptroller to distribute a certain percentage of the
10 revenue to the Waterway Improvement Fund; requiring the Department of
11 Natural Resources to submit reports on or before certain dates describing the
12 effect of the limitation on the vessel excise tax as enacted by this Act; establishing
13 the Task Force to Study Enhancing Boating and the Boating Industry in
14 Maryland; providing for the composition, chair, and staffing of the Task Force;
15 prohibiting a member of the Task Force from receiving certain compensation, but

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



authorizing the reimbursement of certain expenses; requiring the Task Force to evaluate options and make recommendations for enhancing boating and growing the boating industry; requiring the Task Force to report its findings and recommendations to the Governor and the General Assembly on or before a certain date; providing that the altered distribution of motor fuel tax revenue as enacted by this Act applies only under certain circumstances; providing for the termination of certain provisions of this Act; and generally relating to the ~~distribution of motor fuel tax revenue.~~ vessel excise tax and the Waterway Improvement Fund.

~~BY repealing and reenacting, with amendments,~~

~~Article – Natural Resources~~

~~Section 8–716(e)~~

~~Annotated Code of Maryland~~

~~(2012 Replacement Volume)~~

BY repealing and reenacting, with amendments,

Article – Natural Resources

Section 8–716(c)

Annotated Code of Maryland

(2012 Replacement Volume)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 2–1104

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

~~Article – Natural Resources~~

~~§ 716.~~

~~(e) (1) [Except] SUBJECT TO THE LIMITATION UNDER PARAGRAPH (3) OF THIS SUBSECTION AND EXCEPT as provided in § 8–715(d) of this subtitle and in subsections (c) 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:~~

~~(i) The issuance of every original certificate of title required for a vessel under this subtitle;~~

~~(ii) The issuance of every subsequent certificate of title for the sale, resale, or transfer of the vessel;~~

1 SECTION 4. AND BE IT FURTHER ENACTED, That:

2 (a) There is a Task Force to Study Enhancing Boating and the Boating
3 Industry in Maryland.

4 (b) The Task Force consists of the Secretary of the Department of Natural
5 Resources or the Secretary's designee, who shall serve as the chair of the Task Force,
6 and the following individuals appointed by the Secretary:

7 (1) one representative of the Marine Trades Association of Maryland;

8 (2) one representative of the Department of Business and Economic
9 Development;

10 (3) one representative of the Maryland Association of Counties;

11 (4) one representative of the Maryland Municipal League;

12 (5) one representative of the Boat Owner's Association of the United
13 States;

14 (6) one representative of the Recreational Boating and Fishing
15 Foundation;

16 (7) one representative of the Chesapeake Bay Yacht Clubs Association;

17 (8) one representative from the Maryland Boat Act Advisory
18 Committee;

19 (9) one individual representing paddle sports; and

20 (10) one representative of a local tourism board or visitor bureau in a
21 county that borders the Chesapeake Bay.

22 (c) The Department of Natural Resources shall provide staff for the Task
23 Force.

24 (d) A member of the Task Force:

25 (1) may not receive compensation as a member of the Task Force; but

26 (2) is entitled to reimbursement for expenses under the Standard State
27 Travel Regulations, as provided in the State budget.

28 (e) The Task Force shall:

1 (1) evaluate options and make recommendations for enhancing boating
2 and growing the boating industry in the State; and

3 (2) consider the following:

4 (i) incentives to encourage boats to register in the State and use
5 marinas and boat yards for recreation, repair, and outfitting in the State;

6 (ii) the impact of modifying the State vessel excise tax rate and
7 boat registration fees;

8 (iii) the expenditure and use of the Waterway Improvement Fund
9 and its benefits to the general boating public and the State's boating industry;

10 (iv) the impact on the boating industry and the general boating
11 public of decreased State and federal spending on boating access;

12 (v) the costs and needs of maintaining and improving public
13 boating infrastructure and boating safety; and

14 (vi) any other matter that the Task Force agrees will enhance
15 boating in the State.

16 (f) On or before September 1, 2015, the Task Force shall submit a report of its
17 findings and recommendations to the Governor and, in accordance with § 2-1246 of the
18 State Government Article, the General Assembly.

19 SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding Section
20 1 of this Act, except as otherwise provided in this section, the altered distribution of
21 revenue from the motor fuel tax under the provisions of Title 2, Subtitle 11 of the Tax –
22 General Article as enacted by this Act does not apply until any Consolidated
23 Transportation Bonds that were issued by the Department of Transportation before
24 July 1, 2013, no longer remain outstanding and unpaid. In any fiscal year for which
25 funds are appropriated by the General Assembly to pay the amount due and payable in
26 that fiscal year for the principal of and interest on the Department of Transportation's
27 Consolidated Transportation Bonds ~~that were issued before July 1, 2013,~~ the revenue
28 from the motor fuel tax shall be distributed as provided in Title 2, Subtitle 11 of the
29 Tax – General Article as enacted by this Act.

30 SECTION ~~2~~ 6. AND BE IT FURTHER ENACTED, That this Act shall take
31 effect July 1, 2013. Sections 1 and 4 of this Act shall remain effective for a period of 3
32 years and, at the end of June 30, 2016, with no further action required by the General
33 Assembly, Sections 1 and 4 of this Act shall be abrogated and of no further force and
34 effect.