

# HOUSE BILL 1091

R4, M1

8lr3160  
CF SB 1030

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By: **Delegates Folden, Beitzel, and Anderton**

Introduced and read first time: February 7, 2018

Assigned to: Environment and Transportation

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2018

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Off-Highway Recreational Vehicle Fund – Establishment**

3 FOR the purpose of establishing the Off-Highway Recreational Vehicle Fund in the  
4 Department of Natural Resources; establishing the purpose of the Fund; requiring  
5 the Department to administer the Fund; providing that the Fund is a special,  
6 nonlapsing fund not subject to certain provisions of law; providing that the Fund  
7 consists of certain money and certain revenues; requiring the Fund to be used for the  
8 acquisition, construction, and maintenance of trails for use by off-highway  
9 recreational vehicles, and certain administrative costs; requiring the State  
10 Treasurer to invest the money of the Fund in a certain manner; providing that  
11 expenditures from the Fund may be made only in accordance with the State budget;  
12 requiring the ~~Motor Vehicle Administration to remit to the Comptroller a certain~~  
13 ~~percentage of the revenues collected for the off-highway recreational vehicle titling~~  
14 ~~fee for deposit into the Fund; altering the fees collected as miscellaneous fees for~~  
15 ~~certain purposes by the Administration~~ Comptroller to transfer a certain percent of  
16 revenue from the excise tax imposed for each certificate of title issued for an  
17 off-highway recreational vehicle for deposit into the Fund; defining a certain term  
18 and altering a certain definition; and generally relating to the establishment of the  
19 Off-Highway Recreational Vehicle Fund.

20 BY adding to

21 Article – Natural Resources

22 Section 5-209.1

23 Annotated Code of Maryland

24 (2012 Replacement Volume and 2017 Supplement)

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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.



- 1 BY repealing and reenacting, without amendments,  
 2 Article – State Finance and Procurement  
 3 Section 6–226(a)(1) and (2)(i)  
 4 Annotated Code of Maryland  
 5 (2015 Replacement Volume and 2017 Supplement)
- 6 BY repealing and reenacting, with amendments,  
 7 Article – State Finance and Procurement  
 8 Section 6–226(a)(2)(ii)101. and 102.  
 9 Annotated Code of Maryland  
 10 (2015 Replacement Volume and 2017 Supplement)
- 11 BY adding to  
 12 Article – State Finance and Procurement  
 13 Section 6–226(a)(2)(ii)103.  
 14 Annotated Code of Maryland  
 15 (2015 Replacement Volume and 2017 Supplement)
- 16 BY repealing and reenacting, without amendments,  
 17 Article – Transportation  
 18 Section 11–140.1  
 19 Annotated Code of Maryland  
 20 (2012 Replacement Volume and 2017 Supplement)
- 21 BY repealing and reenacting, with amendments,  
 22 Article – Transportation  
 23 Section ~~12–120 and 13–802~~ 13–814  
 24 Annotated Code of Maryland  
 25 (2012 Replacement Volume and 2017 Supplement)

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

28 **Article – Natural Resources**

29 **5–209.1.**

30 (A) IN THIS SECTION, “FUND” MEANS THE OFF–HIGHWAY RECREATIONAL  
 31 VEHICLE FUND.

32 (B) THERE IS AN OFF–HIGHWAY RECREATIONAL VEHICLE FUND IN THE  
 33 DEPARTMENT.

1 (C) THE PURPOSE OF THE FUND IS TO ACQUIRE, CONSTRUCT, AND  
2 MAINTAIN TRAILS FOR THE USE OF OFF-HIGHWAY RECREATIONAL VEHICLES, AS  
3 DEFINED IN § 11-140.1 OF THE TRANSPORTATION ARTICLE.

4 (D) THE DEPARTMENT SHALL ADMINISTER THE FUND.

5 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
6 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

7 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
8 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

9 (F) THE FUND CONSISTS OF:

10 (1) ANY FEES AND OTHER REVENUE COLLECTED BY THE  
11 DEPARTMENT UNDER § 5-209 OF THIS SUBTITLE;

12 (2) REVENUES DISTRIBUTED TO THE FUND FROM OFF-HIGHWAY  
13 RECREATIONAL VEHICLE ~~TITLING FEES COLLECTED UNDER § 13-802~~ EXCISE TAXES  
14 IMPOSED UNDER § 13-809 OF THE TRANSPORTATION ARTICLE;

15 (3) ANY INVESTMENT EARNINGS GENERATED BY THE FUND;

16 (4) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE FUND;  
17 AND

18 (5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR  
19 THE BENEFIT OF THE FUND.

20 (G) THE FUND MAY BE USED ONLY FOR:

21 (1) THE ACQUISITION, CONSTRUCTION, AND MAINTENANCE OF  
22 TRAILS FOR USE BY OFF-HIGHWAY RECREATIONAL VEHICLES IN ACCORDANCE WITH  
23 § 5-209 OF THIS SUBTITLE; AND

24 (2) ADMINISTRATIVE COSTS CALCULATED IN ACCORDANCE WITH §  
25 1-103(B)(2) OF THIS ARTICLE.

26 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND  
27 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

28 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO  
29 THE FUND.

1           **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**  
 2 **WITH THE STATE BUDGET.**

3                                   **Article – State Finance and Procurement**

4 6–226.

5           (a) (1) Except as otherwise specifically provided by law or by regulation of the  
 6 Treasurer, the Treasurer shall credit to the General Fund any interest on or other income  
 7 from State money that the Treasurer invests.

8                           (2) (i) Notwithstanding any other provision of law, and unless  
 9 inconsistent with a federal law, grant agreement, or other federal requirement or with the  
 10 terms of a gift or settlement agreement, net interest on all State money allocated by the  
 11 State Treasurer under this section to special funds or accounts, and otherwise entitled to  
 12 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General  
 13 Fund of the State.

14                                   (ii) The provisions of subparagraph (i) of this paragraph do not apply  
 15 to the following funds:

16   101. the Advance Directive Program Fund; [and]

17   102. the Make Office Vacancies Extinct Matching Fund; AND

18   **103. THE OFF-HIGHWAY RECREATIONAL VEHICLE FUND.**

19   **Article – Transportation**

20 11–140.1.

21           (a) “Off-highway recreational vehicle” means a vehicle that is:

22                           (1) A motor-assisted or motor-driven vehicle that:

23   (i) Is designed to carry only the operator of the vehicle on a seat or  
 24 saddle designed to be straddled by the operator or is designed to carry only the operator of  
 25 the vehicle and one passenger; and

26   (ii) Is commonly known as an all-terrain vehicle;

27                           (2) A motor-assisted or motor-driven vehicle that:

28   (i) Travels on four or more tires;

29   (ii) Is intended for use by one or more persons;

1 (iii) Has the following features:

- 2 1. A steering wheel for steering control;
- 3 2. A roll-over protective structure;
- 4 3. An occupant retention system;
- 5 4. Nonstraddle seating;
- 6 5. A maximum speed capability exceeding 30 miles per hour;
- 7 6. An overall width of less than 80 inches, exclusive of
- 8 accessories; and
- 9 7. An engine displacement of less than 1,000 cubic
- 10 centimeters; and

11 (iv) Is commonly known as a side-by-side utility vehicle;

12 (3) A motorcycle that is designed for off-highway operation and is not  
 13 eligible for registration as a Class D (motorcycle) vehicle under this article, commonly  
 14 known as a dirt bike; or

15 (4) A snowmobile.

16 (b) "Off-highway recreational vehicle" does not include:

17 (1) A farm vehicle as defined in § 13-911 of this article when used  
 18 exclusively on farm property by a farmer; or

19 (2) Any vehicle when used on residential property for the purpose of  
 20 landscaping, gardening, or lawn care.

21 (c) The Administration may establish by regulation other requirements for or  
 22 limitations on the definition of "off-highway recreational vehicle".

23 ~~12-120.~~

24 ~~(a) In this section, "miscellaneous fees" means all fees collected by the~~  
 25 ~~Administration under this article other than:~~

26 ~~(1) The vehicle titling tax;~~

27 ~~(2) One half of the certificate of title [fee] FEES COLLECTED AND NOT~~  
 28 ~~OTHERWISE DISTRIBUTED under § 13-802 of this article; and~~

1           ~~(3) Vehicle registration fees under Part II of Title 13, Subtitle 9 of this~~  
2 ~~article.~~

3           ~~(b) Except as provided in this section, the Administration may not alter the~~  
4 ~~miscellaneous fees that the Administration is authorized under this article to establish.~~

5           ~~(e) (1) Subject to the limitations under subsection (d) of this section, before the~~  
6 ~~start of any fiscal year the Administration by regulation may alter, effective beginning in~~  
7 ~~the upcoming fiscal year, the levels of the miscellaneous fees that the Administration is~~  
8 ~~authorized under this article to establish.~~

9           ~~(2) The Administration shall alter the levels of miscellaneous fees for the~~  
10 ~~upcoming fiscal year if the projected cost recovery under subsection (d) of this section~~  
11 ~~exceeds 100%.~~

12           ~~(d) The Administration shall set the levels of miscellaneous fees so that the total~~  
13 ~~amount of projected revenues from all miscellaneous fees for the upcoming fiscal year is at~~  
14 ~~least 95 percent but does not exceed 100 percent of the sum of:~~

15           ~~(1) The operating budget of the Administration for that fiscal year as~~  
16 ~~approved by the General Assembly in the annual State budget;~~

17           ~~(2) The average annual capital program of the Administration as reported~~  
18 ~~in the 6-year Consolidated Transportation Program described in § 2-103.1 of this article;~~  
19 ~~and~~

20           ~~(3) The Administration's portion of the cost for that fiscal year of the~~  
21 ~~Department's data center operations, except for the cost of data center operations~~  
22 ~~attributable to other administrations' activities.~~

23           ~~(e) (1) The Administration may not alter miscellaneous fees more than once in~~  
24 ~~any fiscal year.~~

25           ~~(2) The Administration need not reduce fees for the upcoming fiscal year if~~  
26 ~~legislative budget modifications cause the projected cost recovery percentage to exceed 100~~  
27 ~~percent.~~

28           ~~(3) The level of a miscellaneous fee set by the Administration remains in~~  
29 ~~effect until again altered by the Administration as provided under this section.~~

30 ~~13-802.~~

31           ~~(a) Except as provided in subsection (b) of this section and § 13-805 of this~~  
32 ~~subtitle, the fee for each certificate of title issued under this title is \$100.~~

33           ~~(b) (1) The fee for each certificate of title issued for a rental vehicle is \$50.~~

1           ~~(2) (1) The fee for each certificate of title issued for an off-highway~~  
 2 ~~recreational vehicle is \$35.~~

3           ~~(H) THE ADMINISTRATION SHALL REMIT TO THE~~  
 4 ~~COMPTROLLER:~~

5           ~~1. ONE HALF OF THE REVENUES COLLECTED UNDER~~  
 6 ~~THIS PARAGRAPH FOR DEPOSIT INTO THE OFF-HIGHWAY RECREATIONAL VEHICLE~~  
 7 ~~FUND UNDER § 5-209.1 OF THE NATURAL RESOURCES ARTICLE; AND~~

8           ~~2. ONE HALF OF THE REVENUES COLLECTED UNDER~~  
 9 ~~THIS PARAGRAPH FOR DEPOSIT INTO THE TRANSPORTATION TRUST FUND UNDER §~~  
 10 ~~3-216 OF THIS ARTICLE.~~

11           ~~(3) The fee for each certificate of title issued for a motor scooter or a moped~~  
 12 ~~is \$20.~~

13           ~~(4) On the death of a joint owner of a vehicle, the Administration may not~~  
 14 ~~charge a fee for a new certificate of title issued for the vehicle to another joint owner who~~  
 15 ~~is the surviving spouse.~~

16           ~~(e) The Administration may not charge a fee for a certificate of title issued for a~~  
 17 ~~vehicle that is transferred to a trust or from a trust to one or more beneficiaries in~~  
 18 ~~accordance with § 14.5-1001 of the Estates and Trusts Article.~~

19 13-814.

20           (A) Money collected under this part shall be deposited in the State Treasury and  
 21 accounted for on the records of the State Comptroller and transferred to the Transportation  
 22 Trust Fund.

23           (B) THE COMPTROLLER SHALL TRANSFER ONE-THIRD OF THE REVENUE  
 24 FROM THE EXCISE TAX IMPOSED FOR EACH CERTIFICATE OF TITLE ISSUED FOR AN  
 25 OFF-HIGHWAY RECREATIONAL VEHICLE UNDER § 13-809 OF THIS SUBTITLE TO THE  
 26 OFF-HIGHWAY RECREATIONAL VEHICLE FUND ESTABLISHED UNDER § 5-209.1 OF  
 27 THE NATURAL RESOURCES ARTICLE.

28           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 29 October 1, 2018.