## SENATE BILL 304

M1
(PRE-FILED)
CF HB 239
By: Chair, Education, Energy, and the Environment Committee (By Request Departmental - Natural Resources)
Requested: September 15, 2023
Introduced and read first time: January 10, 2024
Assigned to: Education, Energy, and the Environment

## A BILL ENTITLED

AN ACT concerning

## Natural Resources - State Boat Act - Alterations

FOR the purpose of altering the definition of "personal watercraft" and "personal flotation device" for purposes of the State Boat Act; repealing the definition of "Class A vessel" for purposes of the State Boat Act; repealing the definition of "personal flotation device" for certain waterskiing restrictions; repealing certain advertising and public hearing requirements for proposed regulations implementing provisions of the State Boat Act; altering the fees for manufacturer and dealer licenses, certificates of number, Maryland use stickers, and the issuance of certificates of title, transfers of title, or duplicate or corrected certificates of title; requiring that certain vessels equipped with a sail be numbered for identification; authorizing the owner of certain vessels to apply to the Department of Natural Resources for a nonmotorized vessel decal; authorizing the Department to establish or alter certain speed zones and vessel prohibition zones by public notice; altering requirements for a personal flotation device worn by a child in certain vessels; and generally relating to the State Boat Act.

BY repealing and reenacting, without amendments,
Article - Natural Resources
Section 8-701(a)
Annotated Code of Maryland
(2023 Replacement Volume and 2023 Supplement)
BY repealing and reenacting, with amendments, Article - Natural Resources
Section 8-701(m), 8-710(a) and (c), 8-712(a) through (d), 8-712.1, 8-712.3(a) and (b), 8-716(b) and (c), 8-725(c), and 8-743(a) and (b)(1)

Annotated Code of Maryland
(2023 Replacement Volume and 2023 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.

BY repealing
Article - Natural Resources
Section 8-704(e)
Annotated Code of Maryland
(2023 Replacement Volume and 2023 Supplement)
BY adding to
Article - Natural Resources
Section 8-712.4 and 8-725.9
Annotated Code of Maryland
(2023 Replacement Volume and 2023 Supplement)
BY renumbering
Article - Natural Resources
Section 8-704(f) through (i)
to be Section 8-704(e) through (h), respectively
Annotated Code of Maryland
(2023 Replacement Volume and 2023 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

## Article - Natural Resources

8-701.
(a) In this subtitle the following words have the meanings indicated.
(m) (1) "Personal watercraft" means a [Class A vessel that:
(1) Has an inboard motor which uses an internal combustion engine powering a water jet pump as its primary source of motive propulsion;
(2) Is designed for the operator and passenger to ride on the outside surfaces of the vessel rather than inside the vessel;
(3) Has the probability that the operator and passenger may, in the normal course of use, fall overboard; and
(4) Is designed with no open load-carrying area which would retain water] VESSEL THAT IS:
(I) Propelled by a water-JEt Pump or other type of MACHINERY AS ITS PRIMARY SOURCE OF MOTIVE POWER; AND

## (ii) Designed to be operated by a person sitting,

 STANDING, OR KNEELING ON THE VESSEL.(2) "PERSONAL WATERCRAFT" DOES NOT INCLUDE A VESSEL THAT IS DESIGNED TO BE OPERATED BY A PERSON SITTING, STANDING, OR KNEELING IN THE VESSEL'S HULL.

8-704.
[(e) Department regulations do not become effective unless advertised publicly in at least 2 daily newspapers of general circulation and at least 1 weekly newspaper serving the area or areas involved at least 45 days before the effective date. If 50 citizens of the State file a petition with the Department at least 15 days prior to the effective date, the Department shall conduct a public hearing on the proposed regulations.]

8-710.
(a) A manufacturer or dealer may not conduct [his] business in the State unless licensed as a manufacturer or dealer [pursuant to] IN ACCORDANCE WITH regulations ADOPTED BY the Department [adopts].
(c) (1) Application for a manufacturer's or dealer's license is made on the form the Department prescribes and contains the name and address of the applicant.
(2) If the applicant is a partnership, the application shall include the name and address of each partner.
(3) If the applicant is a corporation, the application shall contain the names of the principal officers of the corporation, the state of incorporation, the addresses of every place where the business is conducted, the nature of the business, and any other information the Department requires.
(4) Every application shall be verified by oath or affirmation of the applicant if an individual, or by the partner or officer if the applicant is a partnership or corporation.
(5) (I) A license fee [fixed by the Department not to exceed \$25] shall accompany every application.
(II) The Department shall set the license fee at an AMOUNT NOT TO EXCEED $\$ 50$.

8-712.

## (a) (1) (I) [Any] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS

 PARAGRAPH, ANY vessel equipped with A SAIL OR propulsion machinery of any type on the waters of the State shall be numbered for identification in accordance with this subtitle and any regulation [pursuant to it] ADOPTED IN ACCORDANCE WITH THIS SUBTITLE.(II) [This provision] SUBPARAGRAPH (I) OF THIS PARAGRAPH does not apply to the following vessels:
[(i)] 1. A vessel which has a valid document issued by the United States Coast Guard or its successor;
[(ii)] 2. A vessel with a valid number awarded [pursuant to] IN ACCORDANCE WITH federal law or a federally approved numbering system of another state, if the number awarded is displayed in accordance with the requirements of that system, and the certificate of number is available for inspection whenever the vessel is in use;
[(iii)] 3. A vessel from a country other than the United States temporarily using the waters of the State for less than 90 days;
[(iv)] 4. A vessel used for public service and owned by the United States government, another state, or any political subdivision;
[(v)] 5. A ship's lifeboat;
[(vi)]
6. A vessel LESS THAN 16 FEET IN LENGTH THAT IS propelled only by sail;
[(vii)]
7. A vessel numbered according to the Federal Boat Safety Act of 1971; or
[(viii)] 8. A vessel manually propelled.
(2) The Department, by regulation[,] AND for the period the Department prescribes, may exempt any vessel or class of vessels from the numbering provisions of this subtitle[,] if the vessel or class of vessels is exempted from the federal numbering requirements by statute, [or] rule, or regulation.
(b) (1) The owner of any vessel to be numbered by this subtitle shall file an application for a certificate of number with the Department.
(2) The application [is on] FOR A CERTIFICATE OF NUMBER SHALL BE:
(I) ON forms APPROVED BY the Department [approves, accompanied];
(II) ACCOMPANIED by the requisite fee[,]; and [signed]
(III) SIGNED by every vessel owner.
(c) (1) (I) Certificates of number issued under this section shall be valid for a period not to exceed 2 years.
(II) The owner of the vessel may apply every other year for renewal of the certificate.
(III) The renewed certificate shall expire on December 31 of the calendar year following the year the certificate is issued. [The fee for a 2 -year certificate for vessels is $\$ 24$. Vessels 16 feet in length or less and equipped with a $71 / 2$ horsepower motor or less are exempt from this fee. The fee to replace a lost, destroyed, or corrected certificate is $\$ 2$. ]
(IV) The Department shall record any transaction or transfer of numbered boats.
(V) The Department may record any amount of money owing on a vessel required to be numbered at the time of sale.
(VI) The Department may not effect a transfer of ownership until the amount of money owed as shown on the records of the Department is fully paid or recorded on the new title.
(VII) Any vessel that is required to be numbered under this section that is exempt [prior to] BEFORE January 1, 1974, shall be exempt from payment of [this title] THE EXCISE tax IMPOSED UNDER § 8-716 OF THIS SUBTITLE.
(2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, AN APPLICATION FOR A CERTIFICATE OF NUMBER SHALL BE ACCOMPANIED BY THE FOLLOWING FEES:
(I) Vessel less than 16 feet in length and equipped WITH A 7.5 HORSEPOWER MOTOR OR LESS ........................................................... $\$ 20$
(II) VESSEL LESS THAN 16 FEET IN LENGTH AND EQUIPPED WITH A MOTOR MORE THAN 7.5 HORSEPOWER ..................................................... $\$ 50$
(III) VESSEL 16 FEET TO LESS THAN 32 FEET IN

LENGTH ........................................................................................................... $\$ 75$
(IV) VESSEL 32 FEET TO LESS THAN 45 FEET IN
$\qquad$
(V) VESSEL 45 FEET TO 65 FEET IN LENGTH .\$125
(VI) VESSEL LONGER THAN 65 FEET .................................... $\$ 150$
(VII) REPLACEMENT OR CORRECTED CERTIFICATE .$\$ 20$
(3) Emergency rescue boats and fire boats that belong to fire departments or rescue squads in Maryland:
(i) Shall be exempt from all registration fees, INCLUDING A FEE FOR A CERTIFICATE OF NUMBER; but
(ii) Shall apply for a registration renewal every 3 years.
(d) (1) [Upon] ON receipt of the application in approved form, the Department shall issue to the applicant a certificate of boat number which shall contain the boat number issued to the vessel and additional information the Department prescribes by regulation.
(2) The certificate of boat number shall be available for inspection when the vessel is in use.
(3) The owner shall paint on or attach the boat number to each side of the forward half of the vessel's hull or superstructure for which the boat number is issued, displaying the boat number in the manner required by Department regulations and maintaining the boat number in legible condition.

8-712.1.
(a) (1) An owner of a vessel that has a valid document issued by the [United States] U.S. Coast Guard and that is used principally on the waters of the State for pleasure shall apply to the Department for a Maryland use sticker.
(2) The Department shall issue a Maryland use sticker to any person who submits an application and pays a fee as required by subsection (b) of this section.
(3) The Maryland use sticker issued under this section shall be valid for a period not to exceed 2 years expiring on December 31 of the calendar year following the year the sticker is issued.
(b) The owner of the vessel shall:
(1) Submit an application to the Department on the form that the Department requires and be signed by every owner of the vessel; and
(2) Pay to the Department [an application fee of \$10 for the 2-year sticker.] THE FOLLOWING FEES:
(I) Vessel less than 16 Feet in length and equipped WITH A 7.5 HORSEPOWER MOTOR OR LESS ..... $\$ 20$
(II) Vessel less than 16 Feet in length and equipped
WITH A MOTOR MORE THAN 7.5 HORSEPOWER ..... $\$ 50$
(III) Vessel 16 feet to less than 32 feet in
LENGTH ..... \$75
(IV) Vessel 32 feet to less than 45 feet in
LENGTH ..... $\$ 100$
(V) VESSEL 45 FEET TO 65 FEET IN LENGTH ..... \$125
(VI) VESSEL LONGER THAN 65 FEET ..... $\$ 150$
(VII) Replacement sticker ..... $\$ 20$
(c) Within 30 days after the sale or other transfer of a vessel that is displaying or should display a sticker under this section:
(1) The transferor shall give notice of the transfer to the Department on a form that the Department requires; and
(2) If the transferee intends to continue to use the vessel principally on the waters of the State, the transferee shall submit an application for a Maryland use sticker and pay the fee as required [by] UNDER subsection (b) of this section.
(d) The Maryland use sticker shall be displayed on or about the forward half of the vessel.
(e) Unless the vessel that is subject to the requirement of this section displays a current sticker:
(1) A person may not operate the vessel on the waters of the State; and
(2) The owner may not knowingly [permit] ALLOW the vessel to be operated on the waters of the State.

8-712.3.
(a) (1) In this section the following words have the meanings indicated.
(2) "Livery vessel owner" means a person who engages in whole or in part in the business of renting, leasing, or chartering a [Class A] vessel THAT IS LESS THAN 16 FEET IN LENGTH for a period of less than 24 hours.
(3) ["Class A vessel" means a motorboat that is less than 16 feet in length as defined by the U.S. Coast Guard in 46 C.F.R. § 24.10-17.
(4)] "Seaworthy condition" means the ability to withstand ordinary stress of wind, waves, and other weather that the vessel might normally be expected to encounter.
(b) A livery vessel owner or an agent or employee of the livery vessel owner may not rent or offer for rent a [Class A] vessel THAT IS LESS THAN 16 FEET IN LENGTH to be operated on the waters of the State unless:
(1) Each vessel is in seaworthy condition and equipped for the waters where the vessel is intended to be used; and
(2) The livery vessel owner or agent or employee of the livery vessel owner possesses a boating safety certificate approved by the Department.

8-712.4.
(A) (1) AN OWNER OF A VESSEL MAY APPLY TO THE DEPARTMENT FOR A NONMOTORIZED VESSEL DECAL IF THE VESSEL IS:
(I) NOT EQUIPPED WITH PROPULSION MACHINERY;
(II) USED PRINCIPALLY ON THE WATERS OF THE STATE; AND
(III) NOT SUBJECT TO THE REQUIREMENTS OF § 8-712 OR § 8-712.1 OF THIS SUBTITLE.
(2) THE OWNER SHALL APPLY FOR A NONMOTORIZED VESSEL DECAL ON A FORM APPROVED BY THE DEPARTMENT.
(B) A NONMOTORIZED VESSEL DECAL:
(1) IS VALID FOR A PERIOD NOT TO EXCEED 2 YEARS; AND
(2) EXPIRES ON DECEMBER 31 OF THE CALENDAR YEAR FOLLOWING THE YEAR THE DECAL WAS ISSUED.
(C) THE FEE FOR A NONMOTORIZED VESSEL DECAL IS $\$ 12$.
(D) THE NONMOTORIZED VESSEL DECAL SHALL BE DISPLAYED ON THE EXTERIOR OF THE VESSEL.
(E) WITHIN 30 DAYS AFTER THE SALE OR OTHER TRANSFER OF A VESSEL DISPLAYING A NONMOTORIZED VESSEL DECAL UNDER THIS SECTION:
(1) THE TRANSFEROR SHALL GIVE NOTICE OF THE TRANSFER TO THE DEPARTMENT ON A FORM THAT THE DEPARTMENT REQUIRES; AND
(2) IF THE TRANSFEREE INTENDS TO CONTINUE TO USE THE VESSEL PRINCIPALLY ON THE WATERS OF THE STATE, THE TRANSFEREE MAY SUBMIT AN APPLICATION FOR A NONMOTORIZED VESSEL DECAL AND PAY THE FEE REQUIRED UNDER SUBSECTION (C) OF THIS SECTION.

8-716.
(b) The Department shall charge a [\$2] $\$ 20$ fee to issue a certificate of title, a transfer of title, or a duplicate or corrected certificate of title.
(c) (1) Subject to the limitation under paragraph (3) of this subsection and except as provided in § 8-715(d) of this subtitle and in subsections (e) 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;
(iii) The sale within the State of every other vessel; and
(iv) The possession within the State of a vessel used or to be used principally in the State.
(2) (I) Notwithstanding the provisions of this subsection, no tax is paid on issuance of any certificate of title if the owner of the vessel for which a certificate of title is sought was the owner of the vessel [prior to] BEFORE June 1, 1965, or paid Maryland sales and use tax on the vessel as required by law at the time of acquisition.
(II) The Department may require the applicant for titling to submit satisfactory proof that the applicant owned the vessel [prior to] BEFORE June 1, 1965.
(3) (i) Subject to subparagraph (ii) of this paragraph, the excise tax imposed under this subsection may not exceed $\$ 15,000$ for any vessel.
(ii) The maximum amount of the excise tax imposed for any vessel as specified in subparagraph (i) of this paragraph shall be increased by $\$ 100$ on:

1. July 1, 2016; and
2. July 1 of each subsequent year.

8-725.
(c) [(1) In this subsection, "personal flotation device" includes:
(i) A life jacket;
(ii) A life vest;
(iii) A life preserver;
(iv) A barefoot wetsuit; or
(v) A trick skiing wetsuit.
(2)] A person who is in or over the waters of the State and is being towed behind a vessel must wear a personal flotation device, A BAREFOOT WETSUIT, OR A TRICK SKIING WETSUIT.

8-725.9.
(A) NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS TITLE, THE DEPARTMENT MAY ESTABLISH OR ALTER BY PUBLIC NOTICE:
(1) IF THE DEPARTMENT DETERMINES PUBLIC SAFETY IS AT RISK AND IT IS CONTRARY TO THE PUBLIC INTEREST TO DELAY ACTION, A SPEED ZONE NEAR:
(I) A CONSTRUCTION PROJECT ON OR ADJACENT TO STATE

WATERS; OR
(II) A mARINE EVENT; AND
(2) A VESSEL PROHIBITION ZONE FOR AN AREA ESTABLISHED BY THE U.S. COAST GUARD AS A DANGER ZONE OR RESTRICTED AREA.
(B) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THE PROVISIONS OF THIS SECTION, INCLUDING REGULATIONS:
(1) ESTABLISHING OR ALTERING SPEED ZONES; AND
(2) ESTABLISHING VESSEL PROHIBITION ZONES.

8-743.
(a) (1) In this section the following words have the meanings indicated.
(2) "Child" means an individual who is under the age of 13 years.
(3) "Personal flotation device" means a [Type I, II, III, or V U.S. Coast Guard approved personal flotation device that is:
(i) The proper size for the child; and
(ii) In good and serviceable condition] FLOTATION DEVICE THAT IS APPROVED BY THE U.S. COAST GUARD.
(4) (i) "Vessel" means:

1. A vessel used for recreational purposes; or
2. A vessel leased, rented, or chartered for noncommercial use.
(ii) "Vessel" does not include a vessel carrying passengers for hire under the command of an individual licensed by the U.S. Coast Guard to carry passengers for hire, or a vessel displaying a valid seafood harvester's license number while engaged in the harvesting of seafood for sale.
(b) (1) A person may not operate or [permit] ALLOW the operation of a vessel under 21 feet in length [while] IF there is [present in the vessel] a child [not] PRESENT IN THE VESSEL UNLESS THE CHILD IS wearing a personal flotation device [which] THAT is [securely]:

## (I) PROPERLY SIZED FOR THE CHILD;

(II) IN GOOD AND SERVICEABLE CONDITION; AND
(III) SECURELY and properly attached to the child.

SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 8-704(f) through 2 (i) of Article - Natural Resources of the Annotated Code of Maryland be renumbered to be 3 Section(s) 8-704(e) through (h), respectively.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 5 1, 2024.

