

Department of Legislative Services  
Maryland General Assembly  
2025 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 14 (Senator Salling)  
Judicial Proceedings and Finance

---

**Vehicle Laws - Electric Bicycles - Certificate of Title, Registration, and Insurance**

---

This bill requires an electric bicycle to be titled and registered by the Motor Vehicle Administration (MVA). The bill also requires an owner of an electric bicycle to maintain security (*i.e.* insurance) for the bicycle, as specified; however, an insurer is authorized to exclude certain benefits from a policy for electric bicycles. The operator of an electric bicycle must carry evidence of the required security when operating the bicycle. The bill sets the certificate of title fee for electric bicycles at \$20 and the annual registration fee at \$30.

---

**Fiscal Summary**

**State Effect:** Transportation Trust Fund (TTF) revenues and expenditures increase beginning in FY 2026, as discussed below. MVA and the Maryland Insurance Administration can implement any procedural and reprogramming changes with existing resources. General fund revenues increase, likely minimally, due to the bill's insurance provisions, as discussed below.

**Local Effect:** Minimal increase in local highway user revenues distributed from the Gasoline and Motor Vehicle Revenue Account (GMVRA) beginning in FY 2026, as discussed below. Expenditures may be affected in certain jurisdictions, as discussed below.

**Small Business Effect:** Potential meaningful.

---

**Analysis**

**Bill Summary/Current Law:** Under current law, an “electric bicycle” means a vehicle that:

- is designed to be operated by human power with the assistance of an electric motor;
- is equipped with fully operable pedals;
- has two or three wheels;
- has a motor with a rating of 750 watts or less; and
- meets certain requirements related to the electric motor providing assistance when the bicycle reaches specified speed levels.

### *Certificates of Title*

Under current law, the owner of each vehicle that is in Maryland and for which MVA has not issued a certificate of title must apply to MVA for a certificate of title of the vehicle. However, certificates of title are not required for certain types of vehicles and equipment. For example, a bicycle is expressly excluded from the requirement to obtain a certificate of title. The bill specifies that an electric bicycle is not exempt and, thus, must obtain a certificate of title.

Under current law, the application for a certificate of title of a vehicle must be made by the owner on the appropriate form. An application for a certificate of title of an off-highway recreational vehicle (and an electric bicycle under the bill), a motor scooter, or a moped must be made by electronic transmission, and the owner must certify that the vehicle is covered by the required security (*i.e.*, insurance) at the time of titling.

MVA must file each application for a certificate of title that it receives and issue the title if it finds the applicant has satisfied the requirements and has paid the required fees. MVA must keep a record of all certificates of title, as specified, and maintain certain records of documentation provided by third parties (*e.g.*, vehicle dealers, manufacturers or factory branches, etc.).

Under current law, MVA must issue a permanent decal to the owner of a motor scooter or moped for which a certificate of title is issued, and the decal must be displayed as required by MVA. This requirement is expanded to include electric bicycles under the bill. Under current law, MVA must establish a \$5 fee for a decal.

### *Registration Requirement*

Under current law, generally, each motor vehicle, trailer, semitrailer, and pole trailer driven on a highway must be registered under the Maryland Vehicle Law. This requirement is expanded to include electric bicycles under the bill. An application for registration of an electric bicycle must be made by electronic transmission. As under current law, MVA must adhere to recordkeeping requirements and issue and deliver to the owner a registration card that contains specified information.

The bill establishes the following additional requirements that apply to the registration of electric bicycles:

- if the owner of an electric bicycle is a minor, the parent or guardian of the minor must apply to MVA for the registration, as specified;
- each electric bicycle registration and renewal expires two years after the date of issuance; and
- each electric bicycle registered must possess (or be assigned by MVA) a registration number, which must be affixed to the bicycle in a manner required by MVA.

### *Required Security*

Current law requires an owner of a motor vehicle that is required to be registered in the State to maintain insurance for the vehicle during the registration period; because the bill requires the registration of electric bicycles, these provisions apply to electric bicycles under the bill. The security required must provide for at least the payment of claims:

- for bodily injury or death arising from an accident of up to \$30,000 for any one person and up to \$60,000 for any two or more persons;
- for property of others damaged or destroyed in an accident of up to \$15,000;
- unless waived or exempt, for personal injury protection of \$2,500 per person; and
- for uninsured motorist coverage or enhanced underinsured motorist coverage (unless waived, the amount equals the amount of liability coverage provided under the policy; if waived, the amount equals the minimum required insurance for liability coverage).

The operator of an electric bicycle must carry evidence of the required security when operating the electric bicycle.

### **State Fiscal Effect:**

#### *Registration, Titling, and Decaling of Electric Bicycles*

MVA advises that the number of electric bicycles that may be titled and registered under the bill is unknown. Nevertheless, TTF revenues are anticipated to increase annually beginning in fiscal 2026 (though any such increase is not anticipated to be significant) as electric bicycles are titled, registered, and decaled, and TTF expenditures are anticipated to increase minimally for administrative costs associated with regulating the electric bicycles.

*For illustrative purposes only*, if 1,000 electric bicycles were registered and titled in fiscal 2026, then TTF revenues would increase by \$55,000 in that year (which assumes a \$20 titling fee, \$30 registration fee, and \$5 decal fee is paid for each electric bicycle). MVA estimates the cost to title, register, and provide a decal for each electric bicycle at \$2.62 per customer; accordingly, TTF expenditures would increase by \$2,620 in this illustrative example.

Any amount remaining after cost recovery is distributed to TTF, which is distributed according to GMVRA requirements, with specified portions accruing to TTF and the remainder distributed to local governments as capital transportation grants (any local highway user revenues are negligible under these assumptions).

### *Insurance Provisions*

Title 6 of the Insurance Article imposes a 2% premium tax on each authorized insurance company, surplus lines broker, or unauthorized insurance company that sells, or an individual who independently procures, any type of insurance coverage upon a risk that is located in the State. Revenues accrue to the general fund.

Therefore, as additional individuals purchase insurance policies for electric bicycles and pay the associated policy premiums, general fund revenues increase minimally, as insurance premiums for electric bicycles are not anticipated to be significant.

**Local Revenues:** As a portion of registration fee revenues is shared with local governments as highway user revenue capital grants, local government revenues increase minimally as registration fees are paid for electric bicycles under the bill.

**Local Expenditures:** Montgomery County notes that it has shared ownership for electric bicycles used in the Capital Bikeshare system (a bike sharing system that serves the Washington, DC metropolitan area). The bill's requirement to title, register, and ensure such bicycles must be met by the county under the bill. Thus, Montgomery County expenditures increase to pay the associated titling, registration, and decal fees, and Montgomery County may require additional staff time for compliance purposes. Other jurisdictions may be affected in the same manner.

**Small Business Effect:** MVA notes that electric bicycles are not typically sold through regulated dealerships (*i.e.*, in the same manner as other types of vehicles); rather, they are available at unregulated (by MVA) retail locations. The bill requires electronic titling and registering, similar to how vehicle dealerships register and title new cars. Under the bill, it is unclear how the registration/titling process would be effectuated, as existing retail locations selling electric bicycles may not be equipped to handle these types of

transactions. Thus, small businesses that sell electric bicycles may need to develop new processes in order to handle the bill's registration and titling requirements.

Additionally, small businesses that provide electric bicycle rentals likely incur greater costs under the bill, as they must title, register, and insure any such rental bicycles on an ongoing basis.

---

### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Transportation; Maryland Insurance Administration; Department of State Police; Baltimore City; Harford and Montgomery counties; Maryland Association of Counties; City of Annapolis; Maryland Municipal League; Department of Legislative Services

**Fiscal Note History:** First Reader - January 21, 2025  
km/rld

---

Analysis by: Eric F. Pierce

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510