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Wes Moore, Governor
Aruna Miller, Lt. Governor
Josh Kurtz, Secretary
David Goshorn, Deputy Secretary

February 12, 2025

BILL NUMBER: House Bill 425 – First Reader

SHORT TITLE: Natural Resources - State Boat Act – Auctioneers

DEPARTMENT’S POSITION: SUPPORT

EXPLANATION OF DEPARTMENT’S POSITION

DNR supports removing auctioneers from the definition of those required to obtain a boat dealer’s license as there are currently only four auctioneer businesses who are licensed as a Maryland boat dealer with only a minimal amount of vessel sales.

BACKGROUND INFORMATION

Not requiring auctioneer businesses to obtain a Maryland boat dealer license will alleviate them from having to obtain a surety bond, submit monthly reports, and having to submit their paperwork to the Department.

BILL EXPLANATION

This bill seeks to remove “auctioneers” from the definition of those required to obtain a boat dealer’s license

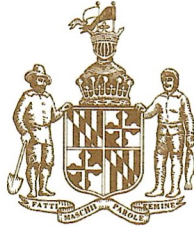
HB425 DTMorgan Testimony.pdf

Uploaded by: Todd Morgan

Position: FAV

TODD B. MORGAN
Legislative District 29C
Calvert and St. Mary's Counties

Environment and Transportation
Committee



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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

February 7, 2025

Testimony in Support of House Bill 425 – Natural Resources – State Boat Act – Auctioneers

Good Afternoon Chair Korman, Vice-Chair Boyce and members of the Environment and Transportation Committee:

I am writing to introduce House Bill 425, which would exempt auctioneers from the requirement to obtain a dealer's license in order to auction a boat in the State of Maryland.

During the interim, I heard from auctioneers whose businesses have been negatively affected by this requirement. Many of these auctioneers only auction a few boats, if any, each year, often as part of estate sales. Notably, this requirement is inconsistent with how auctioneers are treated in other areas of the law. The Transportation Article includes language specifically exempting auctioneers from the definition of a dealer in the context of buying and selling vehicles. The provisions of this bill are modeled on the exemption auctioneers currently have under the Transportation Article to make these two sections of law consistent and allow these professionals to facilitate the sale of these boats at auction without first obtaining a dealer's license.

It is important to note that this bill applies only if the title does not pass to the auctioneer. It is specifically for situations where the auctioneer is acting as an intermediary to what would otherwise be a private sale that does not require the seller to be licensed. Currently, if an individual chooses to sell their boat to another person on their own, a dealer's license is not required. However, if that same person decides instead to use an auctioneer to facilitate the sale of their vessel, the auctioneer is required to hold a dealer's license despite never taking possession of the title. This requirement makes it harder for individuals to find an auctioneer willing to auction their boat, as many auctioneers do not want to take the time and spend the money required to obtain a dealer's license to auction only a small number of boats each year. This then increases the risk of these vessels being abandoned, which is a problem I know that this committee is very familiar with.

I respectfully request a favorable report on HB425. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Todd B. Morgan".

Todd B. Morgan
Delegate, Calvert/St. Mary's Counties (29C)