# **SENATE BILL 1030**

R4, M1 8lr3166 CF 8lr3160

By: Senator Hough

Introduced and read first time: February 5, 2018

Assigned to: Education, Health, and Environmental Affairs

#### A BILL ENTITLED

#### 1 AN ACT concerning

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### 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 recreational vehicles, and certain administrative costs; requiring the State 9 Treasurer to invest the money of the Fund in a certain manner; providing that 10 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; defining a certain term and altering a 16 certain definition; and generally relating to the establishment of the Off-Highway 17 Recreational Vehicle Fund.

- 18 BY adding to
- 19 Article Natural Resources
- 20 Section 5–209.1
- 21 Annotated Code of Maryland
- 22 (2012 Replacement Volume and 2017 Supplement)
- 23 BY repealing and reenacting, without amendments,
- 24 Article State Finance and Procurement
- Section 6-226(a)(1) and (2)(i)
- 26 Annotated Code of Maryland
- 27 (2015 Replacement Volume and 2017 Supplement)
- 28 BY repealing and reenacting, with amendments,



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1 2 3 4	Article – State Finance and Procurement Section 6–226(a)(2)(ii)101. and 102. Annotated Code of Maryland (2015 Replacement Volume and 2017 Supplement)					
5 6 7 8 9	BY adding to Article – State Finance and Procurement Section 6–226(a)(2)(ii)103. Annotated Code of Maryland (2015 Replacement Volume and 2017 Supplement)					
10 11 12 13 14	BY repealing and reenacting, without amendments, Article – Transportation Section 11–140.1 Annotated Code of Maryland (2012 Replacement Volume and 2017 Supplement)					
15 16 17 18 19	Article – Transportation Section 12–120 and 13–802 Annotated Code of Maryland					
20 21	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:					
22	Article - Natural Resources					
23	5-209.1.					
$\frac{24}{25}$	(A) IN THIS SECTION, "FUND" MEANS THE OFF-HIGHWAY RECREATIONAL VEHICLE FUND.					
26 27	(B) THERE IS AN OFF-HIGHWAY RECREATIONAL VEHICLE FUND IN THE DEPARTMENT.					
28 29 30	(C) THE PURPOSE OF THE FUND IS TO ACQUIRE, CONSTRUCT, AND MAINTAIN TRAILS FOR THE USE OF OFF-HIGHWAY RECREATIONAL VEHICLES, AS DEFINED IN § 11–140.1 OF THE TRANSPORTATION ARTICLE.					
31	(D) THE DEPARTMENT SHALL ADMINISTER THE FUND.					

(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT

SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

- 1 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, 2 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.
- 3 (F) THE FUND CONSISTS OF:
- 4 (1) ANY FEES AND OTHER REVENUE COLLECTED BY THE 5 DEPARTMENT UNDER § 5-209 OF THIS SUBTITLE;
- 6 (2) REVENUES DISTRIBUTED TO THE FUND FROM OFF-HIGHWAY 7 RECREATIONAL VEHICLE TITLING FEES COLLECTED UNDER § 13–802 OF THE 8 TRANSPORTATION ARTICLE;
- 9 (3) ANY INVESTMENT EARNINGS GENERATED BY THE FUND;
- 10 (4) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE FUND; 11 AND
- 12 (5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR 13 THE BENEFIT OF THE FUND.
- 14 (G) THE FUND MAY BE USED ONLY FOR:
- 15 (1) THE ACQUISITION, CONSTRUCTION, AND MAINTENANCE OF TRAILS FOR USE BY OFF-HIGHWAY RECREATIONAL VEHICLES IN ACCORDANCE WITH \$5-209 OF THIS SUBTITLE; AND
- 18 (2) ADMINISTRATIVE COSTS CALCULATED IN ACCORDANCE WITH § 19 1–103(B)(2) OF THIS ARTICLE.
- 20 (H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND 21 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.
- 22 (2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO 23 THE FUND.
- 24 (I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE 25 WITH THE STATE BUDGET.
- 26 Article State Finance and Procurement
- 27 6–226.
- 28 (a) (1) Except as otherwise specifically provided by law or by regulation of the 29 Treasurer, the Treasurer shall credit to the General Fund any interest on or other income

1	from State money that the Treasurer invests.				
2 3 4 5 6 7	(2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.				
8 9	to the following fu	(ii) nds:	The provisions of subparagraph (i) of this paragraph do not apply		
10			101.	the Advance Directive Program Fund; [and]	
11			102.	the Make Office Vacancies Extinct Matching Fund; AND	
12			103.	THE OFF-HIGHWAY RECREATIONAL VEHICLE FUND.	
13				Article - Transportation	
14	11–140.1.				
15	(a) "Off-highway recreational vehicle" means a vehicle that is:				
16	(1) A motor–assisted or motor–driven vehicle that:				
17 18 19	saddle designed to be straddled by the operator or is designed to carry only the operator of				
20		(ii)	Is cor	nmonly known as an all–terrain vehicle;	
21	(2)	A mo	notor–assisted or motor–driven vehicle that:		
22		(i)	Trave	els on four or more tires;	
23		(ii)	Is int	ended for use by one or more persons;	
24		(iii)	Has t	the following features:	
25			1.	A steering wheel for steering control;	
26			2.	A roll-over protective structure;	
27			3.	An occupant retention system;	
28			4.	Nonstraddle seating;	

1	5. A maximum speed capability exceeding 30 miles per hour;						
2 3	6. An overall width of less than 80 inches, exclusive of accessories; and						
4 5	7. An engine displacement of less than 1,000 cubic centimeters; and						
6	(iv) Is commonly known as a side-by-side utility vehicle;						
7 8 9	(3) A motorcycle that is designed for off-highway operation and is not eligible for registration as a Class D (motorcycle) vehicle under this article, commonly known as a dirt bike; or						
10	(4) A snowmobile.						
11	(b) "Off-highway recreational vehicle" does not include:						
12 13	(1) A farm vehicle as defined in $\S$ 13–911 of this article when used exclusively on farm property by a farmer; or						
14 15	(2) Any vehicle when used on residential property for the purpose of landscaping, gardening, or lawn care.						
16 17	(c) The Administration may establish by regulation other requirements for or limitations on the definition of "off-highway recreational vehicle".						
18	12–120.						
19 20	(a) In this section, "miscellaneous fees" means all fees collected by the Administration under this article other than:						
21	(1) The vehicle titling tax;						
22 23	(2) One-half of the certificate of title [fee] FEES COLLECTED AND NOT OTHERWISE DISTRIBUTED under § 13–802 of this article; and						
24 25	(3) Vehicle registration fees under Part II of Title 13, Subtitle 9 of this article.						
26 27	(b) Except as provided in this section, the Administration may not alter the miscellaneous fees that the Administration is authorized under this article to establish.						
28 29	(c) (1) Subject to the limitations under subsection (d) of this section, before the start of any fiscal year the Administration by regulation may alter, effective beginning in						

the upcoming fiscal year, the levels of the miscellaneous fees that the Administration is

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1 authorized under this article to establish.

- 2 (2) The Administration shall alter the levels of miscellaneous fees for the upcoming fiscal year if the projected cost recovery under subsection (d) of this section exceeds 100%.
- 5 (d) The Administration shall set the levels of miscellaneous fees so that the total 6 amount of projected revenues from all miscellaneous fees for the upcoming fiscal year is at 7 least 95 percent but does not exceed 100 percent of the sum of:
- 8 (1) The operating budget of the Administration for that fiscal year as approved by the General Assembly in the annual State budget;
- 10 (2) The average annual capital program of the Administration as reported 11 in the 6-year Consolidated Transportation Program described in § 2–103.1 of this article; 12 and
- 13 (3) The Administration's portion of the cost for that fiscal year of the 14 Department's data center operations, except for the cost of data center operations attributable to other administrations' activities.
- 16 (e) (1) The Administration may not alter miscellaneous fees more than once in 17 any fiscal year.
- 18 (2) The Administration need not reduce fees for the upcoming fiscal year if 19 legislative budget modifications cause the projected cost recovery percentage to exceed 100 20 percent.
- 21 (3) The level of a miscellaneous fee set by the Administration remains in 22 effect until again altered by the Administration as provided under this section.
- 23 13-802.
- 24 (a) Except as provided in subsection (b) of this section and § 13–805 of this subtitle, the fee for each certificate of title issued under this title is \$100.
- 26 (b) (1) The fee for each certificate of title issued for a rental vehicle is \$50.
- 27 (2) (I) The fee for each certificate of title issued for an off-highway 28 recreational vehicle is \$35.
- 29 (II) THE ADMINISTRATION SHALL REMIT TO THE 30 COMPTROLLER:
- 1. One-half of the revenues collected under this paragraph for deposit into the Off-Highway Recreational Vehicle

## 1 Fund under § 5-209.1 of the Natural Resources Article; and

- 2. ONE-HALF OF THE REVENUES COLLECTED UNDER 3 THIS PARAGRAPH FOR DEPOSIT INTO THE TRANSPORTATION TRUST FUND UNDER § 3–216 OF THIS ARTICLE.
- 5 (3) The fee for each certificate of title issued for a motor scooter or a moped 6 is \$20.
- 7 (4) On the death of a joint owner of a vehicle, the Administration may not charge a fee for a new certificate of title issued for the vehicle to another joint owner who is the surviving spouse.
- 10 (c) The Administration may not charge a fee for a certificate of title issued for a vehicle that is transferred to a trust or from a trust to one or more beneficiaries in accordance with § 14.5–1001 of the Estates and Trusts Article.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2018.