

Chapter 433

(House Bill 719)

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” as it applies to the rental of livery vessels; repealing the definition of “personal flotation device” as it applies to certain waterskiing restrictions; repealing certain advertising and public hearing requirements for proposed regulations implementing the State Boat Act; increasing ~~the funding threshold~~ certain funding thresholds for certain projects financed by the Waterway Improvement Fund; altering the fees for manufacturer and dealer licenses, certificates of number, Maryland use stickers, and the issuance of certificates of title, transfer of title, or duplicate or corrected certificates of title; 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 or restricted areas by public notice; altering the 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 2024 Supplement)

BY repealing and reenacting, with amendments,

Article – Natural Resources

Section 8–701(m), 8–708(b), 8–709(b), 8–710(a) and (c), 8–712(c), 8–712.1(a) and (b), 8–712.3(a) and (b), 8–714(c), 8–716(b) and (c), 8–725(c), and 8–743(a) and (b)(1)

Annotated Code of Maryland

(2023 Replacement Volume and 2024 Supplement)

BY repealing

Article – Natural Resources

Section 8–704(e)

Annotated Code of Maryland

(2023 Replacement Volume and 2024 Supplement)

BY adding to

Article – Natural Resources

Section 8–712.4 and 8–725.9

Annotated Code of Maryland

(2023 Replacement Volume and 2024 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 2024 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 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.]

8-708.

(b) (1) Except for the construction of pump-out stations for use by the general boating public at public and private marinas, the governing body and the Waterway Improvement Fund jointly shall finance projects to construct marine facilities beneficial to the boating public.

(2) Except as provided in ~~paragraph (3)~~ **PARAGRAPHS (3) AND (4)** of this subsection, the contribution of the Waterway Improvement Fund shall be limited to not more than 50% of the cost of each project.

(3) The Waterway Improvement Fund may finance completely:

(i) **1. [Any] SUBJECT TO ITEM 2 OF THIS ITEM, ANY construction project beneficial to the boating public [which] THAT costs ~~\$250,000~~ \$500,000 or less, regardless of its location; AND**

2. ANY MARINA CONSTRUCTION PROJECT BENEFICIAL TO THE GENERAL BOATING PUBLIC THAT COSTS \$1,000,000 OR LESS, REGARDLESS OF ITS LOCATION;

(ii) A project that involves the beneficial use of dredged material;
and

(iii) Any water quality monitoring by the Department.

(4) THE WATERWAY IMPROVEMENT FUND MAY FINANCE NOT MORE THAN 50% OF THE COSTS EXCEEDING:

(I) \$500,000 FOR CONSTRUCTION PROJECTS BENEFICIAL TO THE BOATING PUBLIC; AND

(II) \$1,000,000 FOR MARINA CONSTRUCTION PROJECTS BENEFICIAL TO THE GENERAL BOATING PUBLIC.

8-709.

(b) Notwithstanding the provisions of subsection (a) of this section, in any fiscal year the Department may expend from the Waterway Improvement Fund without

legislative approval a total sum of not more than [\$225,000. Of this amount, a sum of not more than \$125,000 may be expended for small projects under § 8-707(a)(3) and (4) of this subtitle] \$350,000 IN OPERATING FUNDS FOR SMALL PROJECTS, subject to the limitation that a single project of this kind may not exceed [\$5,000] \$25,000 in cost to the Waterway Improvement Fund, and a sum of not more than \$100,000 may be expended for boating safety and education.

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.

(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 7 1/2 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, THE FEE FOR:**

(I) **AN APPLICATION FOR A CERTIFICATE OF NUMBER IS \$70;**
AND

(II) **A REPLACEMENT OR CORRECTED CERTIFICATE OF NUMBER IS \$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~~ **2** years.

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 that is signed by every owner of the vessel; and

(2) Pay to the Department **[an] THE FOLLOWING FEES:**

(I) AN application fee of [\$10] \$70 for the 2-year sticker; AND

(II) A FEE OF \$20 FOR A REPLACEMENT STICKER.

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.

8-714.

(c) (1) Each application for the manufacturer's or dealer's certificates of number shall be on forms the Department approves and be accompanied by a fee of ~~[\$24]~~ **\$70**.

(2) The certificate of number issued under this section is valid for a period not to exceed 2 years and shall expire on December 31 of the calendar year following the year the certificate is issued.

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 wet suit; or

(v) A trick skiing wet suit.

(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 WET SUIT, OR A TRICK SKIING WET SUIT.**

8-725.9.

(A) NOTWITHSTANDING ANY OTHER PROVISION 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;

(II) A MARINE EVENT; OR

(III) AN ACCIDENT OR OTHER EMERGENT SITUATION; OR

(2) AN AREA WHERE VESSEL MOVEMENT IS CONTROLLED, LIMITED, OR RESTRICTED AS DESIGNATED BY THE U.S. COAST GUARD OR ANOTHER FEDERAL AGENCY.

(B) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

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 (i) of Article – Natural Resources of the Annotated Code of Maryland be renumbered to be Section(s) 8–704(e) through (h), respectively.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2025.

Approved by the Governor, May 13, 2025.