

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

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S.86 - An act relating to miscellaneous changes to laws related to vehicles and vessels – As Passed by Senate

<https://legislature.vermont.gov/bill/status/2022/S.86>

Bill Summary

Section 15 of S. 86 (the “Miscellaneous DMV Bill”), as passed by the Senate, amends [23 V.S.A. § 3307a](#) to require owners of motorboats that are registered in another state but used in the waters of Vermont for at least 60 days in any calendar year to obtain a validation sticker from the Department of Motor Vehicles annually for the motorboat. The current statute requires validation stickers to be obtained if the out-of-state motorboat is used in the waters of the state for at least 30 days in any calendar year.

The Department of Motor Vehicles and Department of Public Safety are proposing this amendment to conform the statute to federal regulations. [33 C.F.R. § 173.17\(b\) - Reciprocity](#) states that “*When a vessel is removed to a new State of principal operation, the issuing authority of that State shall recognize the validity of the number issued by the original State for 60 days.*”

This language is intended to ensure that Vermont is enforcing statutes that conform to federal regulations, as failure to do so can jeopardize federal Recreational Boating Safety grant funding allocated to Vermont.

Fiscal Impacts

The required annual fees for out-of-state motorboat validation stickers are established in [23 V.S.A. § 3305\(b\)](#). In accordance with [23 V.S.A. § 3319](#), fees are deposited into a special fund known as the Motorboat Registration Fund, and the revenues are allocated from the fund as follows:

- 10% - Department of Public Safety to enforce boating laws and implement a boating safety education program.
- 34% - Department of Fish and Wildlife to match federal funds, upgrade and develop boating access areas and facilities, and establishing/maintaining pump out stations.

- 17% - Department of Environmental Conservation for aquatic nuisance control pursuant to [10 V.S.A. Chapter 50](#).
- 7% - Agency of Agriculture, Food and Markets for mosquito control pursuant to [6 V.S.A. Chapter 85](#).
- 20% - Department of Environmental Conservation for the Aquatic Nuisance Control Grant Program pursuant to [10 V.S.A. Chapter 50](#).
- 12% - Transportation Fund.

According to the Department of Motor Vehicles, there are 71 current out-of-state vessel validations on file that paid a total of \$5,661 in validation sticker revenue:

Vessel Class	Number of Vessels	Annual Fee Per Vessel	Total Fee Revenue
Class A (less than 16 ft length)	3	\$31.00	\$93.00
Class 1 (16 ft – less than 26 ft length)	10	\$49.00	\$490.00
Class 2 (26 ft – less than 40 ft length)	52	\$80.00	\$4,160.00
Class 3 (40 ft – 65 ft length)	6	\$153.00	\$918.00

It is not possible to specifically quantify the fiscal impact of modifying the validation sticker requirement to take effect after 60 days, rather than 30 days, because there is no data on how many out-of-state motorboats are used in the waterways of Vermont for periods between 30 and 60 days per year. Therefore, it is not possible to estimate how many motorboats are currently subject to the validation sticker requirement but would no longer be subject to the requirement under the amended statute. Based on current revenue totals, however, it is reasonable to assume that any revenue loss would be less than the total amount currently collected since some unknown number of out-of-state motorboats would still be required to obtain the validation sticker if used in the state’s waterways for 60 or more days per year.

Failure to make this amendment, however, could risk 25% - 75% of the federal funding that Vermont receives through the U.S. Coast Guard Recreational Boating Safety Grant Program. According to the Department of Public Safety, Vermont received \$1,097,775 of federal grants in Federal Fiscal Year 2021 to support recreational boating safety, with funds requiring a 50% state match. Funds are used for a wide range of boating safety enforcement and education activities. A 25%-75% reduction to this grant total would, therefore, translate to a reduction of approximately \$274,444 - \$823,221 of federal funds.