

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 54

(Senator Folden)

Judicial Proceedings

Environment and Transportation

Motor Vehicles - Specially Designed Vintage Reproduction Registration Plates

This bill reinstates and makes permanent a temporary requirement (established by Chapter 170 of 2013) for the Motor Vehicle Administration (MVA) to make available specially designed vintage reproduction registration plates. As a result, an existing provision that limited the availability for sale of such plates to one year from the initial date of issuance is repealed. MVA must charge an initial (\$100) and renewal (\$25) fee for the vintage reproduction plates.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) revenues and expenditures increase for MVA to reinstate and resume issuing the specially designed vintage reproduction registration plates established by Chapter 170, as discussed below.

Local Effect: Negligible increase in local highway user revenues distributed from the Gasoline and Motor Vehicle Revenue Account (GMVRA) beginning in FY 2026, under the assumptions discussed below. Expenditures are not materially affected.

Small Business Effect: None.

Analysis

Bill Summary/Current Law: Chapter 170 required MVA, *for a period of one year*, to offer a specially designed vintage reproduction registration plate to a qualifying vehicle owner. To be eligible to receive a vintage reproduction registration plate, the vehicle for which the plate is to be affixed must be a Class A (passenger), Class E (small truck), Class L (historic), Class M (multipurpose), or Class N (street rod) vehicle. The vintage

reproduction plate must be designed to resemble the 1910 Maryland registration plate, which has black lettering on a yellow background.

The Act required MVA to set initial registration and renewal fees for recovery of the costs of issuing the plate and for distribution to GMVRA. The bill repeals this requirement and instead requires an owner of a vehicle assigned a registration plate under the bill's authorization to pay (1) \$100 when initially issued the registration plate and (2) \$25 each time the registration plate is renewed. Similar to the requirements of Chapter 170, fees collected must be (1) used to recover MVA's costs and (2) credited to GMVRA.

State Fiscal Effect: MVA noted in 2024 (for a prior introduction of the bill) that, under the prior authorization for special vintage reproduction registration plates (which was in place for calendar 2014), about 742 of the originally issued plates remained in use.

As noted above, the bill requires MVA to charge an initial \$100 fee for the registration plate, with a \$25 recurring fee each time the plate is renewed. MVA is unable to determine the exact number of special vintage reproduction registration plates that may be issued under the bill. However, *for illustrative purposes only*, TTF revenues increase by approximately \$135,000 in fiscal 2026 and \$156,250 in fiscal 2030 as shown in **Exhibit 1** and under the following assumptions:

- MVA projects that 1,250 vehicle owners may purchase the once-again-available registration plates in fiscal 2026 (750 plates at titling, reflecting the bill's effective date, and about 500 vintage reproduction plates as substitute tags).
- Every new plate issued is charged the \$100 fee specified in the bill, while each such plate issued as a substitute tag is also charged a \$20 substitute tag fee, per MVA.
- 1,000 new plates are issued in each of the out-years (fiscal 2027 through 2030).
- Beginning in fiscal 2028, the recurring \$25 renewal fee is paid as owners renew their registrations associated with all the tags purchased (or renewed) two years earlier.
- The cost for MVA to produce each plate is approximately \$10.
- Any amount remaining after cost recovery is distributed to TTF, which will be 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).

Exhibit 1
Illustrative Vintage Registration Plate Program Revenues and Expenditures
Fiscal 2026-2030

	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>
Total Fee Revenues	\$135,000	\$100,000	\$131,250	\$125,000	\$156,250
<i>Newly Titled Tag Fee</i>	<i>75,000</i>	<i>100,000</i>	<i>100,000</i>	<i>100,000</i>	<i>100,000</i>
<i>Substitute Tag Fees</i>	<i>60,000</i>	-	-	-	-
<i>Renewal Fee</i>	-	-	<i>31,250</i>	<i>25,000</i>	<i>56,250</i>
Cost Recovery Expenditures	12,500	10,000	10,000	10,000	10,000
Net Fiscal Effect	\$122,500	\$90,000	\$121,250	\$115,000	\$146,250

Notes: The net amount shown is the amount to be distributed through the Gasoline and Motor Vehicle Revenue Account after cost recovery. At an estimated cost of \$10 for each plate, the portion of fee revenue for issuance of each plate subject to cost recovery is \$10. Thus, in fiscal 2026, with 1,250 plates issued, \$12,500 of fee revenues is used for cost recovery; annually thereafter, with 1,000 plates issued, \$10,000 is for cost recovery.

Source: Maryland Department of Transportation; Department of Legislative Services

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB1004 of 2024.

Designated Cross File: HB 313 (Delegate Korman) - Environment and Transportation.

Information Source(s): Department of Public Safety and Correctional Services; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - January 8, 2025
caw/ljm Third Reader - January 22, 2025

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