

HOUSE BILL No. 5136

November 1, 2011, Introduced by Reps. Wayne Schmidt, Bumstead, Foster, Hughes, Huuki, Outman, MacGregor, Goike, Johnson, Olson, Muxlow, Pettalia, Rendon, Roy Schmidt, Dillon, Byrum, Haveman, LeBlanc, Gilbert and Potvin and referred to the Committee on Natural Resources, Tourism, and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 80124, 80308, 81108, 81116, 82105, and 82114
(MCL 324.80124, 324.80308, 324.81108, 324.81116, 324.82105, and
324.82114), section 80124 as amended by 2007 PA 8, section 80308
as added by 1995 PA 58, section 81108 as amended by 2005 PA 39,
section 81116 as amended by 2006 PA 477, section 82105 as amended
by 2008 PA 399, and section 82114 as amended by 2008 PA 145.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 80124. (1) Except as otherwise provided in this
2 section, the owner of a vessel required, **PURSUANT TO SECTIONS**
3 **80122 AND 80123**, to be numbered and to display a decal shall file

1 an application for a certificate of number with the secretary of
2 state. The secretary of state shall prescribe and furnish
3 certificate of title application forms. If a vessel requiring a
4 certificate of title under part 803 is sold by a dealer, that
5 dealer shall combine the application for a certificate of number
6 that is signed by the vessel owner with the application for a
7 certificate of title. The dealer shall obtain the certificate of
8 number in the name of the owner. The **APPLICATION FOR A**
9 **CERTIFICATE OF NUMBER SHALL INCLUDE A CERTIFICATION. THE** owner of
10 the vessel shall sign the application **OR, IF THE APPLICATION IS**
11 **FILED ELECTRONICALLY, PROVIDE INFORMATION REQUESTED BY THE**
12 **SECRETARY OF STATE TO VERIFY THE OWNER'S IDENTITY.** A person shall
13 not file an application for a certificate of number that contains
14 false information. A dealer who fails to submit an application as
15 required by this section is guilty of a misdemeanor, punishable
16 by imprisonment for not more than 90 days, or a fine of not more
17 than \$100.00, or both.

18 (2) A dealer who submits an application for a certificate of
19 number as provided in subsection (1) may issue to the owner of
20 the vessel a 15-day ~~temporary~~ permit, on forms prescribed by the
21 secretary of state, for the use of the vessel while the
22 certificate of number is being issued.

23 (3) A dealer may issue a 15-day permit, on a form prescribed
24 by the secretary of state, for the use of a vessel purchased in
25 this state and delivered to the purchaser for removal to a place
26 outside of this state, if the purchaser certifies by his or her
27 signature that the vessel will be registered and primarily used

and stored outside of this state and will not be returned to this state by the purchaser for use or storage. A certificate of number shall not be issued for a vessel holding a permit under this subsection.

(4) A 15-day ~~temporary~~ permit issued under subsection (2) or (3) shall not be renewed or extended.

(5) A person shall operate or permit the operation of a vessel for which a 15-day ~~temporary~~ permit has been issued under this section only if the ~~temporary~~ permit is valid and displayed on the vessel as prescribed by rule promulgated by the department under this part.

(6) Except as otherwise provided in this section, an applicant shall pay the following fee at the time of application:

(a) A 15-day ~~temporary~~ permit issued under subsection (3)..... \$ 10.00

(b) Nonpowered vessels, other than nonmotorized canoes or kayaks ~~, except as provided in section 80123.~~ 9.00

(c) Nonmotorized canoes or kayaks ~~except as provided in section 80123.~~ 5.00

(d) Motorboats less than 12 feet in length..... 14.00

(e) Motorboats 12 feet or over but less than 16 feet in length..... 17.00

(f) Motorboats 16 feet or over but less than 21 feet in length..... 42.00

(g) Motorboats 21 feet or over but less than 28 feet in length..... 115.00

(h) Motorboats 28 feet or over but less than 35 feet in length..... 168.00

1	(i) Motorboats 35 feet or over but less than	
2	42 feet in length.....	244.00
3	(j) Motorboats 42 feet or over but less than	
4	50 feet in length.....	280.00
5	(k) Motorboats 50 feet in length or over.....	448.00
6	(l) Pontoon vessels regardless of size.....	23.00
7	(m) Motorized canoes regardless of size.....	14.00
8	(n) Vessels licensed under part 473.....	15.00
9	(o) Vessels carrying passengers for hire that	
10	are in compliance with part 445, or under federal law;	
11	and vessels carrying passengers and freight or freight	
12	only and owned within this state or hailing from a	
13	port within this state.....	45.00

14 (7) As used in this section, "the length of a vessel" means
 15 the distance from end to end over the deck, excluding the
 16 longitudinal upward or downward curve of the deck, fore and aft.
 17 A pontoon boat shall be measured by the length of its deck, fore
 18 and aft.

19 (8) Payment of the fee specified in this section exempts the
 20 vessel from the tax imposed under the general property tax act,
 21 1893 PA 206, MCL 211.1 to 211.155.

22 (9) Upon receipt of an initial application for a certificate
 23 of number in approved form and payment of the required fee, the
 24 secretary of state shall enter the information upon the official
 25 records and issue to the applicant a certificate of number
 26 containing the number awarded to the vessel, the name and address
 27 of the owner, and other information that the secretary of state
 28 determines necessary. The secretary of state shall issue a

1 certificate of number that is pocket size and legible. Except as
2 provided in subsection (13), a person operating a vessel shall
3 present that vessel's certificate of number to a peace officer
4 upon the peace officer's request.

5 (10) If a check or draft payable to the secretary of state
6 under this part is not paid on its first presentation, the fee or
7 tax is delinquent as of the date the draft or check was tendered.
8 The person tendering the check or draft remains liable for the
9 payment of each fee or tax and a penalty.

10 (11) Upon determining that a fee or tax required by this
11 part has not been paid and remains unpaid after reasonable notice
12 and demand, the secretary of state may suspend a certificate of
13 number.

14 (12) If a person who tenders a check or draft described in
15 subsection (10) fails to pay ~~a~~**THE** fee or tax **FOR WHICH THE CHECK**
16 **OR DRAFT WAS TENDERED** within 15 days after the secretary of state
17 gives him or her notice that the check or draft described in
18 subsection (10) was not paid on its first presentation, the
19 secretary of state shall assess and collect a penalty of \$5.00 or
20 20% of the check or draft, whichever is larger, in addition to
21 the fee or tax.

22 (13) The owner or authorized agent of the owner of a vessel
23 less than 26 feet in length that is leased or rented to a person
24 for noncommercial use for not more than 24 hours may retain, at
25 the place from which the vessel departs or returns to the
26 possession of the owner or the owner's representative, the
27 certificate of number for that vessel if a copy of the lease or

1 rental agreement is on the vessel. Upon the demand of a peace
2 officer, the operator shall produce for inspection either the
3 certificate of number or a copy of the lease or rental agreement
4 for that vessel. The lease or rental agreement shall contain each
5 of the following:

6 (a) The vessel number that appears on the certificate of
7 number.

8 (b) The period of time for which the vessel is leased or
9 rented.

10 (c) The signature of the vessel's owner or that person's
11 authorized agent.

12 (d) The signature of the person leasing or renting the
13 vessel.

14 (14) Upon receipt of a certificate of number for a vessel,
15 the owner of that vessel shall paint on or attach in a permanent
16 manner to each side of the forward half of the vessel the number
17 identified in the certificate of number, in the manner prescribed
18 by rules promulgated by the department. The secretary of state
19 shall assign to the owner of vessels for rent or lease a block of
20 numbers sufficient to number consecutively all of that owner's
21 rental or lease vessels. The owner shall maintain the numbers in
22 a legible condition. A vessel documented by the United States
23 coast guard or a federal agency that is the successor to the
24 United States coast guard is not required to display numbers
25 under this part but shall display a decal indicating payment of
26 the fee prescribed in subsection (6), and shall otherwise be in
27 compliance with this part. This subsection does not apply to a

1 nonpowered vessel 12 feet or less in length.

2 (15) Upon receipt of an application for a certificate of
3 number in an approved form and payment of the fee required by
4 this part, the secretary of state shall issue a decal that is
5 color-coded and dated to identify the year of its expiration, and
6 that indicates that the vessel is numbered in compliance with
7 this part. The department shall promulgate a rule or rules to
8 establish the manner in which the decal is to be displayed. A
9 person who operates a vessel in violation of a rule promulgated
10 to implement this subsection is responsible for a state civil
11 infraction and may be ordered to pay a civil fine of not more
12 than \$500.00.

13 (16) A decal is valid for a 3-year period that begins on
14 April 1 and expires on March 31 of the third year. An original
15 certificate of number may be issued up to 90 days before April 1.
16 A numbering renewal decal or other renewal device may be issued
17 up to 90 days before the expiration of a certificate.

18 (17) Upon receipt of a request for renewal of a decal and
19 payment of the fee prescribed in subsection (6), the secretary of
20 state shall issue to the applicant a decal as provided in
21 subsection (15). A person who operates a vessel for which no
22 decal was issued as required under this section or for which a
23 decal has expired is responsible for a state civil infraction and
24 may be ordered to pay a civil fine of not more than \$500.00.

25 (18) The numbering system adopted under this part shall be
26 in accordance with the standard system of numbering established
27 by the secretary of the department in which the United States

1 coast guard operates.

2 (19) An agency of this state, a political subdivision of
3 this state, or a state supported college or university of this
4 state that owns a vessel that is required to be numbered under
5 this part shall register that vessel and upon payment of either
6 of the following shall receive from the secretary of state a
7 certificate of number for that vessel:

8 (a) A fee of \$3.00 for a vessel that is not used for
9 recreational, commercial, or rental purposes.

10 (b) The fee required under subsection (6) for a vessel that
11 is used for recreational, commercial, or rental purposes.

12 (20) The secretary of state shall, upon receipt of payment
13 of the fee required under subsection (19), issue a certificate of
14 number for each vessel subject to subsection (19).

15 (21) A vessel that is 30 years of age or older and not used
16 other than in club activities, exhibitions, tours, parades, and
17 other similar activities is a historic vessel. The secretary of
18 state shall make available to the public application forms for
19 certificates of number for historic vessels and, upon receipt of
20 a completed application form and fee, shall number a historic
21 vessel as a historic vessel. The fee for the numbering of a
22 historic vessel is 1/3 of the otherwise applicable fee specified
23 in subsection (6).

24 ~~———— (22) Upon application to the secretary of state, the owner~~
25 ~~of a nonmotorized canoe or kayak who registered that vessel under~~
26 ~~former 1967 PA 303 between January 1, 1989 and April 17, 1990~~
27 ~~shall receive a refund of a portion of the registration fee equal~~

~~to the difference in the amount that owner paid and the fee amount provided in subsection (6)(c).~~

(22) ~~(23)~~—The secretary of state shall refund to the owner of a vessel registered under this part ~~or former 1967 PA 303~~ all of the registration fee paid for that vessel under this section ~~or section 33 of former 1967 PA 303~~ if all of the following conditions are met during the period for which the registration fee was paid:

(a) The owner transfers or assigns title or interest in the registered vessel before placing the decal issued under subsection (15) on the vessel.

(b) The owner surrenders the unused decal to the secretary of state within 30 days after the date of transfer or assignment.

(23) ~~(24)~~—The secretary of state shall refund to the surviving spouse of a deceased vessel owner the registration fee paid under this part, prorated on a monthly basis, upon receipt of the decal issued under subsection (15) or evidence satisfactory to the secretary of state that the decal issued under subsection (15) has been destroyed or voided.

(24) ~~(25)~~—If the secretary of state computes a fee under this part that results in a figure other than a whole dollar amount, the secretary of state shall round the figure to the nearest whole dollar.

Sec. 80308. (1) An application for a **WATERCRAFT** certificate of title shall ~~be certified~~ **INCLUDE A CERTIFICATION.** ~~by the~~ **THE** owner or purchaser of the watercraft **SHALL SIGN THE APPLICATION OR, IF THE APPLICATION IS FILED ELECTRONICALLY, PROVIDE**

**1 INFORMATION REQUESTED BY THE SECRETARY OF STATE TO VERIFY THE
2 OWNER'S OR PURCHASER'S IDENTITY. and THE APPLICATION shall**

3 contain, in the form and together with other information that the
4 secretary of state requires, the following information:

5 (a) Name and address of the applicant.

6 (b) Name and address of the previous owner.

7 (c) A statement of liens, mortgages, or other encumbrances
8 on the watercraft, and the name and address of the holder of the
9 liens, mortgages, or other encumbrances.

10 (d) If a lien, mortgage, or other encumbrance is not
11 outstanding, a statement of that fact.

12 (e) A description of the watercraft, including, if
13 applicable, the make, year, length, series or model, hull type,
14 and hull identification number.

15 (2) If the watercraft contains a permanent hull
16 identification number placed on the watercraft by the
17 manufacturer of the watercraft, this number shall be used as the
18 hull identification number. If there is not a manufacturer's hull
19 identification number, or if the manufacturer's hull
20 identification number is removed or obliterated, the secretary of
21 state, upon a prescribed application that includes information
22 indicating proof of ownership, shall assign a hull identification
23 number to the watercraft. This assigned hull identification
24 number shall be permanently affixed to, or imprinted by the
25 applicant, at the place and in the manner designated by the
26 secretary of state, upon the watercraft to which the hull
27 identification number is assigned.

1 Sec. 81108. (1) An application for an ORV certificate of
2 title shall be on a form prescribed by the department of state.
3 The application shall ~~be certified by the owner or purchaser and~~
4 **INCLUDE A CERTIFICATION. THE OWNER OR PURCHASER SHALL SIGN THE**
5 **APPLICATION OR, IF THE APPLICATION IS FILED ELECTRONICALLY,**
6 **PROVIDE INFORMATION REQUESTED BY THE DEPARTMENT OF STATE TO**
7 **VERIFY THE OWNER'S IDENTITY. THE APPLICATION** shall contain, in
8 addition to other information required by the department of
9 state, the following information:

10 (a) The applicant's name and address.

11 (b) A statement of any security interest or other liens on
12 the ORV, along with the name and address of any lienholder.

13 (c) If a lien is not outstanding, a statement of that fact.

14 (d) A description of the ORV, including the year, make,
15 model or series, and vehicle identification number.

16 (2) An application for an ORV certificate of title that
17 indicates the existence of a security interest in the ORV shall,
18 if requested by the security interest holder, be accompanied by a
19 copy of the security agreement, which may be unsigned. The
20 department of state shall indicate on the copy the date and place
21 of filing and shall return the copy to the person who filed the
22 application. The filer shall forward the copy to the security
23 interest holder identified in the application.

24 (3) Receipt by the secretary of state of a properly tendered
25 application for an ORV certificate of title that indicates the
26 existence of a security interest in the ORV is a condition of
27 perfection of a security interest in the ORV and is equivalent to

1 filing a financing statement under the uniform commercial code,
2 1962 PA 174, MCL 440.1101 to 440.11102, with respect to the ORV.
3 When a security interest in an ORV is perfected, it has priority
4 over the rights of a lien creditor as lien creditor is defined in
5 section 9102 of the uniform commercial code, 1962 PA 174, MCL
6 440.9102.

7 Sec. 81116. (1) The owner of an ORV requiring licensure
8 under this part shall file an application for a license with the
9 department or a dealer on forms provided by the department. If an
10 ORV is sold by a dealer, the application for a license shall be
11 submitted to the department by the dealer in the name of the
12 owner. The application shall **INCLUDE A CERTIFICATION.** ~~be signed~~
13 ~~by the~~ **THE** owner of the vehicle ~~and~~ **SHALL SIGN THE APPLICATION**
14 **OR, IF THE APPLICATION IS FILED ELECTRONICALLY, PROVIDE**
15 **INFORMATION REQUESTED BY THE DEPARTMENT TO VERIFY THE OWNER'S**
16 **IDENTITY. THE APPLICATION** shall be accompanied by a fee of
17 \$16.25. A person shall not file an application for registration
18 that contains false information. Upon receipt of the application
19 in approved form and upon payment of the appropriate fee, the
20 department or dealer shall issue to the applicant a license which
21 shall be valid for the 12-month period for which it is issued. A
22 license shall be issued for the 12-month period beginning April 1
23 and ending March 31 each year.

24 (2) Dealers may purchase from the department ORV licenses
25 for resale to owners of vehicles requiring licensure under this
26 part. The department shall refund to dealers the purchase price
27 of any ORV licenses returned within 90 days after the end of the

1 12-month period for which they were valid. The dealer shall
2 maintain and provide to the department records of ORV license
3 sales on forms provided by the department. In addition to the
4 sale of ORV licenses, a dealer engaged in the sale, lease, or
5 rental of ORVs as a regular business may sell any other license
6 or permit authorized by the department to be sold by other
7 dealers under the statutes of this state.

8 (3) The license shall be permanently attached to the vehicle
9 in the manner prescribed and in the location designated by the
10 department before the vehicle may legally be operated in
11 accordance with this part.

12 (4) If at the time of sale the purchaser certifies on a form
13 provided by the department that the purchased vehicle otherwise
14 requiring a license under this part will be used and stored
15 outside of this state and will not be returned by the purchaser
16 to this state for use, then a license is not required.

17 (5) If a license acquired by the owner of an ORV is lost or
18 destroyed, the department shall provide that person with a
19 replacement license free of charge. The department may require a
20 person requesting a replacement license to supply sufficient
21 evidence of the loss or destruction of the original license.

22 Sec. 82105. (1) Before operating a snowmobile requiring
23 registration in this state, the owner shall apply for
24 registration with the department of state on forms provided by
25 the department of state. If the snowmobile was purchased from a
26 retail dealer in this state, application for initial registration
27 shall be made with the dealer at the point of sale. The dealer

1 shall issue a temporary registration permit in a form received
2 from and approved by the department of state that is valid for 15
3 days after the date of sale. Each retail dealer shall submit
4 applications for registrations and fees to the department of
5 state not less than once each week. The application shall include
6 ~~the new owner's signature and, beginning July 1, 2009, A~~
7 **CERTIFICATION. THE NEW OWNER SHALL SIGN THE APPLICATION OR, IF**
8 **THE APPLICATION IS FILED ELECTRONICALLY, PROVIDE INFORMATION**
9 **REQUESTED BY THE DEPARTMENT OF STATE TO VERIFY THE NEW OWNER'S**
10 **IDENTITY. THE APPLICATION SHALL ALSO INCLUDE** the new owner's name
11 and bona fide residence address and the names and addresses of
12 holders of any security interest in the snowmobile and its
13 accessories in the order of priority. The application shall be
14 accompanied by a fee of ~~\$22.00 if paid before July 1, 2009 or~~
15 ~~\$30.00. if paid on or after July 1, 2009.~~ Upon receipt of the
16 application in approved form, the department of state shall enter
17 the application upon its records and issue to the applicant a
18 certificate of registration and decal. The certificate of
19 registration shall contain the number awarded to the snowmobile,
20 the name and address of the owner, other information the
21 department of state considers necessary, and, beginning July 1,
22 2009, the name and address of the holders of secured interests. A
23 person shall not operate a snowmobile that is required to be
24 registered in this state unless the person possesses the
25 certificate of registration in legible form. The person shall
26 make the certificate of registration available for inspection
27 upon demand by a peace officer.

1 (2) If the secretary of state is not satisfied as to the
2 ownership of a snowmobile that is worth more than \$2,500.00,
3 before registering the snowmobile and issuing a certificate of
4 registration, the secretary of state may require the applicant to
5 file a properly executed surety bond in a form prescribed by the
6 secretary of state and executed by the applicant and a company
7 authorized to conduct a surety business in this state. The bond
8 shall be in an amount equal to twice the value of the snowmobile
9 as determined by the secretary of state and shall be conditioned
10 to indemnify or reimburse the secretary of state, any prior
11 owner, and any subsequent purchaser of the snowmobile and their
12 successors in interest against any expense, loss, or damage,
13 including reasonable attorney fees, incurred as a result of the
14 issuance of a certificate of registration for the snowmobile or
15 any defect in the right, title, or interest of the applicant in
16 the snowmobile. An interested person has a right of action to
17 recover on the bond for a breach of the conditions of the bond,
18 but the aggregate liability of the surety to all persons shall
19 not exceed the amount of the bond. The bond shall be returned at
20 the end of 3 years, or before 3 years if the snowmobile is no
21 longer registered in this state and the current valid certificate
22 of registration is surrendered to the secretary of state, unless
23 the secretary of state has received notification of the pendency
24 of an action to recover on the bond. If the secretary of state is
25 not satisfied as to the ownership of a snowmobile that is worth
26 \$2,500.00 or less, the secretary of state shall require the
27 applicant to certify that the applicant is the owner of the

1 snowmobile and entitled to register the snowmobile.

2 (3) The certificate of registration and registration decal
3 authorizes the operation of the snowmobile for a 3-year period
4 that begins on October 1 and expires on September 30 of the third
5 year. The certificate of registration and registration decal may
6 be renewed beginning July 1 of the expiration year by payment of
7 a fee of ~~\$22.00 before July 1, 2009 or \$30.00. on or after July~~
8 ~~1, 2009.~~ The registration decal shall be displayed as prescribed
9 by rule promulgated by the department of state.

10 (4) The department of state may destroy a record of a
11 certificate of registration 7 years after expiration of the
12 certificate.

13 Sec. 82114. (1) The owner of a snowmobile shall notify the
14 department of state within 15 days if the snowmobile is destroyed
15 or abandoned, or is sold, or an interest in the snowmobile is
16 transferred either wholly or in part to another person, or if the
17 owner's address no longer conforms to the address appearing on
18 the certificate of registration. The notice shall consist of a
19 surrender of the certificate of registration on which the proper
20 information shall be noted on a place to be provided. If ~~the~~
21 ~~surrender of the certificate of registration is by reason of~~
22 **SURRENDERED BECAUSE** the snowmobile ~~being~~ **WAS** destroyed or
23 abandoned, the department of state shall cancel the certificate
24 of registration and enter that fact in the records of the
25 department of state, and the number may be then reassigned. The
26 department of state may destroy the record of a surrendered
27 certificate of registration 10 years after its surrender.

1 (2) If ~~the surrender of~~ the certificate of registration is
2 ~~by reason~~ **SURRENDERED BECAUSE** of a ~~THE OWNER'S~~ change of address,
3 ~~on the part of the owner,~~ the new address shall be recorded by
4 the department of state and a certificate of registration bearing
5 that information shall be returned to the owner.

6 (3) The transferee of a snowmobile registered under this
7 part, within 15 days after acquiring the snowmobile, shall apply
8 to the department of state for issuance of a new certificate of
9 registration for the snowmobile, giving the previous registration
10 number of the snowmobile and proof of payment or satisfaction of
11 any security interest shown on the previous owner's certificate
12 of registration or department of state's records. The application
13 shall include **A CERTIFICATION. THE NEW OWNER SHALL SIGN THE**
14 **APPLICATION OR, IF THE APPLICATION IS FILED ELECTRONICALLY,**
15 **PROVIDE INFORMATION REQUESTED BY THE DEPARTMENT OF STATE TO**
16 **VERIFY THE OWNER'S IDENTITY. THE APPLICATION SHALL ALSO INCLUDE**
17 the new owner's name ~~, signature,~~ and bona fide residence address
18 and the names and addresses of the holders of security interests
19 in the snowmobile and its accessories in the order of their
20 priority. ~~, and~~ **THE APPLICATION** shall be accompanied by the fee
21 prescribed in section 82105. Upon receipt of the application and
22 fee, the department of state shall issue a new certificate of
23 registration for the snowmobile to the new owner. Unless the
24 application is made and the fee paid within 15 days of transfer
25 of ownership, the snowmobile is without certificate of
26 registration, and a person shall not operate the snowmobile until
27 a valid certificate of registration is issued.

1 (4) If a certificate of registration is lost, mutilated, or
2 illegible, the owner of the snowmobile shall obtain a duplicate
3 of the certificate of registration upon application and payment
4 of a fee of \$5.00.

5 (5) If a valid registration decal is lost, mutilated, or
6 illegible, the owner of the snowmobile may obtain a replacement
7 registration decal upon submission of proof of registration and
8 payment of a fee of \$5.00.