

HOUSE BILL NO. 5961

March 23, 2022, Introduced by Reps. Damoose, Markkanen, Borton, O'Malley and Roth and referred to the Committee on Natural Resources and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 80123, 80124, and 80125 (MCL 324.80123,
324.80124, and 324.80125), section 80123 as added by 1995 PA 58,
section 80124 as amended by 2012 PA 294, and section 80125 as
amended by 2014 PA 549.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 80123. (1) The owner of a vessel is not required to pay a
2 fee and a vessel is not required to be numbered and to display a
3 decal under this part if the vessel is 1 or more of the following:

1 (a) Used temporarily on the waters of this state and the owner
2 and the vessel are **not** from ~~a country other than~~ the United States.

3 (b) A vessel that is owned by the United States, used in the
4 public service for purposes other than recreation, and clearly
5 identifiable as such a vessel.

6 (c) A vessel's lifeboat.

7 (d) An all-terrain vehicle not used as a vessel.

8 (e) A raft, sailboard, surfboard, or swim float.

9 (f) A vessel ~~16 feet or less~~ **than 18 feet in length**, propelled
10 by hand either with oars or paddles, and not used for rental or
11 other commercial purposes.

12 (g) A nonmotorized canoe or kayak not used for rental or other
13 commercial purposes.

14 (2) The owner of a vessel documented by the United States
15 coast guard or a federal agency that is the successor to the United
16 States coast guard shall comply with this part, including the
17 payment of fees as provided in this part. However, the vessel ~~shall~~
18 ~~not be~~ **is not** required to display numbers under this part.

19 (3) This part does not prohibit the numbering of an
20 undocumented vessel pursuant to this part upon request by the
21 owner, even though the vessel is exempt from the numbering
22 requirements of this part.

23 Sec. 80124. (1) Except as otherwise provided in this section,
24 the owner of a vessel required, ~~pursuant to~~ **under** sections 80122
25 and 80123, to be numbered and to display a decal shall file an
26 application for a certificate of number with the secretary of
27 state. The secretary of state shall prescribe and furnish
28 certificate of title application forms. If a vessel requiring a
29 certificate of title under part 803 is sold by a dealer, that

1 dealer shall combine the application for a certificate of number
2 that is signed by the vessel owner with the application for a
3 certificate of title. The dealer shall obtain the certificate of
4 number in the name of the owner. The application for a certificate
5 of number shall include a certification. The owner of the vessel
6 shall sign the application or, if the application is filed
7 electronically, provide information requested by the secretary of
8 state to verify the owner's identity. A person shall not file an
9 application for a certificate of number that contains false
10 information. A dealer who fails to submit an application as
11 required by this section is guilty of a misdemeanor, punishable by
12 imprisonment for not more than 90 days, or a fine of not more than
13 \$100.00, or both.

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

19 (3) A dealer may issue a 15-day permit, on a form prescribed
20 by the secretary of state, for the use of a vessel purchased in
21 this state and delivered to the purchaser for removal to a place
22 outside of this state, if the purchaser certifies by his or her
23 signature that the vessel will be registered and primarily used and
24 stored outside of this state and will not be returned to this state
25 by the purchaser for use or storage. A certificate of number shall
26 not be issued for a vessel ~~holding for which~~ a permit under this
27 subsection **is in effect**.

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

(5) A person shall **not** operate or permit the operation of a vessel for which a 15-day permit has been issued under this section ~~only if~~ **unless** the 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 permit issued under subsection (3)..... \$ 10.00

(b) Nonpowered vessels, other than nonmotorized canoes or kayaks..... 9.00

(c) Nonmotorized canoes or kayaks less than 18 feet in length..... 10.00

(d) ~~(e)~~ Nonmotorized canoes or kayaks, 18 feet or over in length..... 5.00

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

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

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

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

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

(j) ~~(i)~~ Motorboats 35 feet or over but less than 42 feet in length..... 244.00

(k) ~~(j)~~ Motorboats 42 feet or over but less than 50 feet in length..... 280.00

(l) ~~(k)~~ Motorboats 50 feet in length or over..... 448.00

(m) ~~(l)~~ Pontoon vessels regardless of size..... 23.00

(n) ~~(m)~~ Motorized canoes regardless of size..... 14.00

1 (o) ~~(n)~~ Vessels licensed under part 473..... 15.00

2 (p) ~~(e)~~ Vessels carrying passengers for hire that
3 are in compliance with part 445, or under federal law; and
4 vessels carrying passengers and freight or freight only
5 and owned within this state or hailing from a port within
6 this state..... 45.00

7 (7) ~~As used in this section, "the~~ **For the purposes of this**
8 **section, the** length of a ~~vessel" means vessel is~~ the distance from
9 end to end over the deck, excluding the longitudinal upward or
10 downward curve of the deck, fore and aft. ~~For~~ **However, the length**
11 **of** a pontoon boat ~~, length of a vessel means is~~ the length of its
12 deck, fore and aft.

13 (8) Payment of the fee specified in this section exempts the
14 vessel from the tax imposed under the general property tax act,
15 1893 PA 206, MCL 211.1 to 211.155.

16 (9) Upon receipt of an initial application for a certificate
17 of number in approved form and payment of the required fee, the
18 secretary of state shall enter the information upon the official
19 records and issue to the applicant a certificate of number
20 containing the number awarded to the vessel, the name and address
21 of the owner, and other information that the secretary of state
22 determines necessary. ~~The secretary of state shall issue a~~
23 ~~certificate of number that is~~ **shall be** pocket size and legible.
24 Except as provided in subsection (13), a person operating a vessel
25 shall present that vessel's certificate of number to a peace
26 officer upon the peace officer's request.

27 (10) If a check or draft payable to the secretary of state
28 under this part is not paid on its first presentation, the fee or
29 tax is delinquent as of the date the draft or check was tendered.

1 The person tendering the check or draft remains liable for the
2 payment of the fee or tax and a penalty.

3 (11) ~~Upon determining that~~ **If** a fee or tax required by this
4 part has not been paid and remains unpaid after reasonable notice
5 and demand, the secretary of state may suspend a certificate of
6 number **issued to the person required to pay the fee or tax.**

7 (12) If a person who tenders a check or draft described in
8 subsection (10) fails to pay the fee or tax for which the check or
9 draft was tendered within 15 days after the secretary of state
10 gives ~~him or her~~ **the person** notice that the check or draft
11 described in subsection (10) was not paid on its first
12 presentation, the secretary of state shall assess and collect a
13 penalty of \$5.00 or 20% of the check or draft, whichever is ~~larger,~~
14 **greater,** in addition to the fee or tax.

15 (13) The owner or authorized agent of the owner of a vessel
16 less than 26 feet in length that is leased or rented to a person
17 for noncommercial use for not more than 24 hours may retain, at the
18 place from which the vessel departs or returns to the possession of
19 the owner or the owner's representative, the certificate of number
20 for that vessel if a copy of the lease or rental agreement is on
21 the vessel. Upon the demand of a peace officer, the operator shall
22 produce for inspection either the certificate of number or a copy
23 of the lease or rental agreement for that vessel. The lease or
24 rental agreement shall contain each of the following:

25 (a) The vessel number that appears on the certificate of
26 number.

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

29 (c) The signature of the vessel's owner or that person's

1 authorized agent.

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

3 (14) Upon receipt of a certificate of number for a vessel, the
4 owner of that vessel shall paint on or attach in a permanent manner
5 to each side of the forward half of the vessel the number
6 identified in the certificate of number, in the manner prescribed
7 by rules promulgated by the department. The secretary of state
8 shall assign to the owner of vessels for rent or lease a block of
9 numbers sufficient to number consecutively all of that owner's
10 rental or lease vessels. The owner shall maintain the numbers in a
11 legible condition. A vessel documented by the United States ~~coast~~
12 ~~guard~~ **Coast Guard** or a federal agency that is the successor to the
13 United States ~~coast guard~~ **Coast Guard** is not required to display
14 numbers under this part but shall display a decal indicating
15 payment of the fee prescribed in subsection (6), and shall
16 otherwise be in compliance with this part. This subsection does not
17 apply to a nonpowered vessel 12 feet or less in length.

18 (15) Upon receipt of an application for a certificate of
19 number in an approved form and payment of the fee required by this
20 part, the secretary of state shall issue a decal that indicates
21 that the vessel is numbered in compliance with this part. ~~The~~
22 **Except for a decal that, under subsection (16), does not expire, a**
23 decal shall be color-coded and dated to identify the year of its
24 expiration. The department shall ~~promulgate a rule or rules to~~
25 establish **by rule** the manner in which the decal is to be displayed.
26 A person who operates a vessel in violation of a rule promulgated
27 to implement this subsection is responsible for a state civil
28 infraction and may be ordered to pay a civil fine of not more than
29 \$500.00.

(16) A **decal and certificate of number for a vessel described in subsection (6)(c) are immediately valid and do not expire.**

Otherwise, a decal is valid for a 3-year period that begins on April 1 and expires on March 31 of the third year, ~~—An—and an~~ original certificate of number may be issued up to 90 days before April 1. A numbering renewal decal or other renewal device may be issued up to 90 days before the expiration of a certificate.

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

(18) The numbering system adopted under this part shall be ~~in accordance—~~**consistent** with the standard system of numbering established by the secretary of the department in which the United States ~~coast guard—~~**Coast Guard** operates.

(19) An agency of this state, a political subdivision of this state, or a state supported college or university of this state that owns a vessel that is required to be numbered under this part shall register that vessel ~~and upon payment of either of the following shall receive from the secretary of state a certificate of number for that vessel:~~**with the secretary of state and pay the following fee when applying for registration:**

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

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

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

4 (21) A vessel that is 30 years of age or older and not used
5 other than in club activities, exhibitions, tours, parades, and
6 other similar activities is a historic vessel. The secretary of
7 state shall make available to the public application forms for
8 certificates of number for historic vessels and, upon receipt of a
9 completed application form and fee, shall number a historic vessel
10 as a historic vessel. The fee for the numbering of a historic
11 vessel is 1/3 of the otherwise applicable fee specified in
12 subsection (6).

13 (22) The secretary of state shall refund to the owner of a
14 vessel registered under this part all of the registration fee paid
15 for that vessel under this section if all of the following
16 conditions are met during the period for which the registration fee
17 was paid:

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

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

23 (23) The secretary of state shall refund to the surviving
24 spouse of a deceased vessel owner the registration fee paid under
25 this part, prorated on a monthly basis, upon receipt of the decal
26 issued under subsection (15) or evidence satisfactory to the
27 secretary of state that the decal issued under subsection (15) has
28 been destroyed or voided. **This subsection does not apply to a**
29 **vessel described in subsection (6) (c).**

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

5 Sec. 80125. (1) The owner of a vessel shall notify the
6 secretary of state within 15 days if the vessel is destroyed or
7 sold; if an interest in the vessel is transferred either wholly or
8 in part, to another person; or if the owner's address no longer
9 conforms to the address appearing on the certificate of number. The
10 notice shall consist of a surrender of the certificate of number,
11 on which the proper information shall be noted on a place to be
12 provided on the certificate. ~~When the surrender of the certificate~~
13 ~~is due to the vessel being~~ **If the certificate is surrendered**
14 **because the vessel has been** destroyed, the secretary of state shall
15 cancel the certificate and enter that fact in the secretary of
16 state's records, and the number may be reassigned.

17 (2) The owner of a destroyed vessel, upon proper application,
18 may receive a new certificate of number, valid for the remainder of
19 the numbering period, for a replacement vessel, if all of the
20 following conditions are met:

21 (a) The replacement vessel is owned by the same person who
22 owned the destroyed vessel.

23 (b) The owner of the replacement vessel pays additional fees,
24 if required under section 80124, due to the change in vessel size
25 or classification.

26 (c) ~~Payment of~~ **The owner pays** a \$2.00 application fee.

27 (3) If the fees required for the replacement vessel under
28 section 80124 are less than the fees that were required for the
29 destroyed vessel, the owner of the vessel shall not receive a

1 refund.

2 (4) If the surrender of the certificate of number is due to a
3 change of the owner's address, the new address shall be recorded by
4 the secretary of state and a certificate of number bearing that
5 information shall be returned to the owner.

6 (5) The transferee of a vessel registered under this part,
7 within 15 days after acquisition of the vessel, shall apply to the
8 secretary of state for transfer to the transferee of the
9 certificate of number issued to the vessel. The transferee shall
10 provide his or her name, address, and the number of the vessel and
11 pay to the secretary of state a transfer fee of \$2.00. The
12 registration fee for the certificate of number shall be 2/3 the fee
13 provided in section 80124 if the transferred certificate of number
14 would have remained valid for 1 year or less. The registration fee
15 for the certificate of number shall be 1/3 the fee provided in
16 section 80124 if the transferred certificate of number would have
17 remained valid for more than 1 year but less than 2 years. An
18 additional registration fee shall not be assessed if the
19 transferred registration would have remained valid for 2 or more
20 years. Unless the application is made and the fee paid within 15
21 days after acquisition of the vessel, the vessel shall be
22 considered to be without certificate of number and a person shall
23 not operate the vessel until a certificate is issued. Upon receipt
24 of the application and appropriate fees, the secretary of state
25 shall transfer the certificate of number issued for the vessel to
26 the new owner. ~~The~~ **Except as provided in section 80124(16), a**
27 certificate of number ~~shall be~~ **is** valid for a 3-year period.

28 (6) If a certificate of number is lost, mutilated, or
29 illegible, the owner of the vessel shall obtain a duplicate of the

- 1 certificate upon application and payment of a fee of \$2.00.