

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

324.80307 Certificate of title; application; form; fee; evidence of ownership; certificate of hull identification number; duties of secretary of state; surety bond; name in which certificate of title to be obtained.

Sec. 80307. (1) An application for a certificate of title for a watercraft shall be on a form prescribed by the secretary of state. The application shall be filed with the secretary of state within 15 days after the date of purchase or transfer. At the request of the applicant, an application shall be processed on an expedited basis. The application shall be accompanied by the fee or fees prescribed in section 80311, and if a certificate of title was previously issued for the watercraft, it shall be accompanied by the certificate of title duly assigned, unless otherwise provided in this part. Unless otherwise provided in this part, if a certificate of title was not previously issued for the watercraft in this state, the application shall be accompanied by a manufacturer's or importer's certificate, by a certificate of ownership, or a certificate of number issued under part 801 or former 1967 PA 303, if purchased by the applicant on or before July 1, 1976, or by a certificate of title, bill of sale, or other evidence of ownership required by the law of another state from which the watercraft is brought into this state. Evidence of ownership of a watercraft for which a Michigan certificate of title was not previously issued, and that does not have permanently affixed to it a hull identification number, shall be accompanied by the certificate of hull identification number assigned by the secretary of state as provided in section 80308. The secretary of state shall retain the evidence of title presented by the applicant and upon which the certificate of title is issued, and shall use reasonable diligence in ascertaining whether the facts in the application are true by checking the application and documents accompanying the application with the secretary of state's records of watercraft. Subject to section 80320(4), if satisfied that the applicant is the owner of the watercraft and that the application is in the proper form, the secretary of state shall issue a certificate of title.

(2) If the secretary of state is not satisfied as to the ownership of a watercraft having a value of more than \$2,500.00, before registering the watercraft and issuing a certificate of title, the secretary of state may require the applicant to file a properly executed surety bond in a form prescribed by the secretary of state and executed by the applicant and a company authorized to conduct a surety business in this state. The bond shall be in an amount equal to twice the value of the watercraft as determined by the secretary of state and shall be conditioned to indemnify or reimburse the secretary of state, any prior owner, and any subsequent purchaser and their successors in interest against any expense, loss, or damage, including reasonable attorney fees, incurred as a result of the issuance of a certificate of title for the watercraft or any defect in the right, title, or interest of the applicant in the watercraft. An interested person has a right of action to recover on the bond for a breach of the conditions of the bond, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The bond shall be returned at the end of 3 years, or before 3 years if the watercraft is no longer registered in this state and the currently valid certificate of title is surrendered to the secretary of state, unless the secretary of state has received notification of the pendency of an action to recover on the bond. If the secretary of state is not satisfied as to the ownership of a watercraft that is worth \$2,500.00 or less, the secretary of state shall require the applicant to certify that the applicant is the owner of the watercraft and entitled to register and title the watercraft.

(3) Subject to section 80320(4), when a watercraft is sold by a dealer to a general purchaser or user, the certificate of title shall be obtained in the name of the purchaser by the dealer upon application signed by the purchaser. In other cases, the certificate shall be obtained by the purchaser.

History: Add. 1995, Act 58, Imd. Eff. May 24, 1995;—Am. 2005, Act 271, Imd. Eff. Dec. 19, 2005;—Am. 2018, Act 678, Eff. Mar. 29, 2019.

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