

# HOUSE BILL No. 4920

(As amended September 29, 2005)

June 14, 2005, Introduced by Reps. Farhat, Palsrok, Casperson, Emmons, Nitz, Proos, Pavlov, Shaffer, Baxter, Booher, Hansen, Amos and Taub and referred to the Committee on Transportation.

[A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 80124a, 80307, 80309, 81112, and 82105 (MCL 324.80124a, 324.80307, 324.80309, 324.81112, and 324.82105), section 80124a as added by 2003 PA 293, sections 80307, 80309, and 81112 as added by 1995 PA 58, and section 82105 as amended by 1998 PA 297.]

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

[Sec. 80124a. (1) Subject to subsection (4), the secretary of state shall make available for purchase an annual Great Lakes protection specialty watercraft decal. The Great Lakes protection specialty watercraft decal shall be designed by the secretary of state and shall depict some aspect of the Great Lakes or of Great Lakes water quality.

(2) The Great Lakes protection specialty watercraft decal shall be sold for \$35.00. Revenues from the sale of Great Lakes specialty watercraft decals shall be expended as provided for in section 80124b.

(3) The secretary of state may establish the appropriate placement of Great Lakes protection specialty watercraft decals on watercraft so as not to create confusion for law enforcement officers with decals required under section 80124.

(4) The secretary of state shall discontinue sales of Great Lakes protection specialty watercraft decals under subsection (1) if the

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secretary of state is unable to sell at least 2,000 decals in the ~~fiscal~~  
~~year~~ **2-YEAR PERIOD** ending September 30, ~~2005~~ **2006** and at least 500  
decals in each fiscal year thereafter.]

1       Sec. 80307. (1) Application for a certificate of title for a  
2 watercraft shall be made upon a form prescribed by the secretary of  
3 state. The application shall be filed with the secretary of state  
4 within 15 days after the date of purchase or transfer. At the  
5 request of the applicant, an application shall be processed on an

1 expedited basis. The application shall be accompanied by the fee or  
2 fees prescribed in section 80311, and if a certificate of title was  
3 previously issued for the watercraft, it shall be accompanied by  
4 the certificate of title duly assigned, unless otherwise provided  
5 in this part. Unless otherwise provided in this part, if a  
6 certificate of title was not previously issued for the watercraft  
7 in this state, the application shall be accompanied by a  
8 manufacturer's or importer's certificate, by a certificate of  
9 ownership, or a certificate of ~~registration~~ **NUMBER** issued under  
10 part 801 or former ~~Act No. 303 of the Public Acts of~~ 1967 **PA 303**,  
11 if purchased by the applicant on or before July 1, 1976, or by a  
12 certificate of title, bill of sale, or other evidence of ownership  
13 required by the law of another state from which the watercraft is  
14 brought into this state. Evidence of ownership of a watercraft for  
15 which a Michigan certificate of title was not previously issued,  
16 and which does not have permanently affixed to it a hull  
17 identification number, shall be accompanied by the certificate of  
18 hull identification number assigned by the secretary of state as  
19 provided in section 80308. The secretary of state shall retain the  
20 evidence of title presented by the applicant and upon which the  
21 certificate of title is issued, and shall use reasonable diligence  
22 in ascertaining whether the facts in the application are true by  
23 checking the application and documents accompanying the application  
24 with the records of watercraft in the secretary of state's office.  
25 If satisfied that the applicant is the owner of the watercraft and  
26 that the application is in the proper form, the secretary of state  
27 shall issue a certificate of title.

1           (2) IF THE SECRETARY OF STATE IS NOT SATISFIED AS TO THE  
2 OWNERSHIP OF A WATERCRAFT HAVING A VALUE OF MORE THAN \$2,500.00,  
3 BEFORE REGISTERING THE WATERCRAFT AND ISSUING A CERTIFICATE OF  
4 TITLE, THE SECRETARY OF STATE MAY REQUIRE THE APPLICANT TO FILE A  
5 PROPERLY EXECUTED SURETY BOND IN A FORM PRESCRIBED BY THE SECRETARY  
6 OF STATE AND EXECUTED BY THE APPLICANT AND A COMPANY AUTHORIZED TO  
7 CONDUCT A SURETY BUSINESS IN THIS STATE. THE BOND SHALL BE IN AN  
8 AMOUNT EQUAL TO TWICE THE VALUE OF THE WATERCRAFT AS DETERMINED BY  
9 THE SECRETARY OF STATE AND SHALL BE CONDITIONED TO INDEMNIFY OR  
10 REIMBURSE THE SECRETARY OF STATE, ANY PRIOR OWNER, AND ANY  
11 SUBSEQUENT PURCHASER AND THEIR SUCCESSORS IN INTEREST AGAINST ANY  
12 EXPENSE, LOSS, OR DAMAGE, INCLUDING REASONABLE ATTORNEY FEES,  
13 INCURRED AS A RESULT OF THE ISSUANCE OF A CERTIFICATE OF TITLE FOR  
14 THE WATERCRAFT OR ANY DEFECT IN THE RIGHT, TITLE, OR INTEREST OF  
15 THE APPLICANT IN THE WATERCRAFT. AN INTERESTED PERSON HAS A RIGHT  
16 OF ACTION TO RECOVER ON THE BOND FOR A BREACH OF THE CONDITIONS OF  
17 THE BOND, BUT THE AGGREGATE LIABILITY OF THE SURETY TO ALL PERSONS  
18 SHALL NOT EXCEED THE AMOUNT OF THE BOND. THE BOND SHALL BE RETURNED  
19 AT THE END OF 3 YEARS, OR BEFORE 3 YEARS IF THE WATERCRAFT IS NO  
20 LONGER REGISTERED IN THIS STATE AND THE CURRENTLY VALID CERTIFICATE  
21 OF TITLE IS SURRENDERED TO THE SECRETARY OF STATE, UNLESS THE  
22 SECRETARY OF STATE HAS RECEIVED NOTIFICATION OF THE PENDENCY OF AN  
23 ACTION TO RECOVER ON THE BOND. IF THE SECRETARY OF STATE IS NOT  
24 SATISFIED AS TO THE OWNERSHIP OF A WATERCRAFT THAT IS WORTH  
25 \$2,500.00 OR LESS, THE SECRETARY OF STATE SHALL REQUIRE THE  
26 APPLICANT TO CERTIFY THAT THE APPLICANT IS THE OWNER OF THE  
27 WATERCRAFT AND ENTITLED TO REGISTER AND TITLE THE WATERCRAFT.

1           (3) ~~(2)~~ When a watercraft is sold by a dealer to a general  
2 purchaser or user, the certificate of title shall be obtained in  
3 the name of the purchaser by the dealer upon application signed by  
4 the purchaser. In other cases, the certificate shall be obtained by  
5 the purchaser.

6           Sec. 80309. The secretary of state shall issue a certificate  
7 of title containing the information required in the application for  
8 a certificate of title, as prescribed by section 80308, except for  
9 the name and address of the previous owner. The certificate of  
10 title shall also contain space for the notation and cancellation of  
11 a lien, mortgage, or encumbrance. An assignment of certificate of  
12 title shall appear on the ~~reverse side of~~ the certificate of  
13 title in the form to be prescribed by the secretary of state. The  
14 assignment form shall include a warranty that the signer is the  
15 owner of the watercraft and that a mortgage, lien, or encumbrance  
16 is not on the watercraft, except as noted on the face of the  
17 certificate of title.

18           Sec. 81112. (1) An ORV certificate of title shall be  
19 manufactured in a manner to ~~prohibit~~ **PREVENT** as nearly as  
20 possible the ~~ability to reproduce, alter, counterfeit, forge, or~~  
21 ~~duplicate~~ **REPRODUCTION, ALTERATION, COUNTERFEITING, FORGING, OR**  
22 **DUPLICATION OF** the certificate without ready detection. ~~and~~ **AN**  
23 **ORV CERTIFICATE OF TITLE** shall contain on its face the information  
24 set forth in the application, including a notation of all secured  
25 interests in the ORV, the date on which the application was filed,  
26 and other information required by the department of state.

27           (2) The department of state shall prescribe a uniform method

1 of numbering ORV certificates of title.

2 (3) An ORV certificate of title shall contain ~~—, upon its~~  
3 ~~reverse side,~~ a form for assignment and warranty of title by the  
4 owner with space for the notation of a security interest in the  
5 ORV. The ~~reverse side of the~~ ORV certificate of title may also  
6 contain other forms that the department of state considers  
7 necessary to facilitate the effective administration of this part.  
8 The certificate shall bear the coat of arms of this state.

9 (4) A person who intentionally reproduces, alters,  
10 counterfeits, forges, or duplicates an ORV certificate of title or  
11 who uses a reproduced, altered, counterfeited, forged, or  
12 duplicated ORV certificate of title is subject to the following  
13 penalties:

14 (a) If the intent of reproduction, alteration, counterfeiting,  
15 forging, duplication, or use was to commit or aid in the commission  
16 of an offense punishable by imprisonment for 1 or more years, the  
17 person committing the reproduction, alteration, counterfeiting,  
18 forging, duplication, or use is guilty of a misdemeanor ~~—,~~  
19 punishable by imprisonment for a period equal to that which could  
20 be imposed for the commission of the offense the person had the  
21 intent to aid or commit ~~— . The court may also assess~~ **OR** a fine of  
22 not more than \$5,000.00, ~~against the person~~ **OR BOTH.**

23 (b) If the intent of the reproduction, alteration,  
24 counterfeiting, forging, duplication, or use was to commit or aid  
25 in the commission of an offense punishable by imprisonment for not  
26 more than 1 year, the person committing the reproduction,  
27 alteration, counterfeiting, forging, duplication, or use is guilty

1 of a misdemeanor — punishable by imprisonment for not more than 1  
2 year — or a fine of not more than \$1,000.00, or both.

3 Sec. 82105. (1) The owner of each snowmobile requiring  
4 registration by this state before operation of the snowmobile in  
5 this state shall file an application for registration with the  
6 department of state on forms provided by the department of state.  
7 If the snowmobile was purchased from a retail dealer in this state,  
8 application for initial registration shall be made with the dealer  
9 at the point of sale. The dealer shall issue a temporary  
10 registration permit in a form received from and approved by the  
11 department of state that is valid for 15 days after the date of  
12 sale. Each retail dealer shall submit **APPLICATIONS FOR**  
13 registrations and fees to the department of state not less than  
14 once each week. The ~~application shall be signed by the owner of~~  
15 ~~the snowmobile and shall be accompanied by~~ **OWNER OF THE SNOWMOBILE**  
16 **SHALL SIGN THE APPLICATION AND PAY** a fee of \$22.00, **WHICH SHALL BE**  
17 **SUBMITTED TO THE DEPARTMENT WITH THE APPLICATION.** Upon receipt of  
18 the application in approved form, the department of state shall  
19 enter the application upon its records and issue to the applicant a  
20 certificate of registration and decal. The certificate of  
21 registration shall contain the number awarded to the snowmobile,  
22 the name and address of the owner, and other information the  
23 department of state considers necessary. The certificate of  
24 registration shall be pocket-size, shall accompany the vehicle,  
25 shall be legible, and shall be made available for inspection upon  
26 demand by a peace officer.

27 **(2) IF THE SECRETARY OF STATE IS NOT SATISFIED AS TO THE**

1 OWNERSHIP OF A SNOWMOBILE THAT IS WORTH MORE THAN \$2,500.00, BEFORE  
2 REGISTERING THE SNOWMOBILE AND ISSUING A CERTIFICATE OF  
3 REGISTRATION, THE SECRETARY OF STATE MAY REQUIRE THE APPLICANT TO  
4 FILE A PROPERLY EXECUTED SURETY BOND IN A FORM PRESCRIBED BY THE  
5 SECRETARY OF STATE AND EXECUTED BY THE APPLICANT AND A COMPANY  
6 AUTHORIZED TO CONDUCT A SURETY BUSINESS IN THIS STATE. THE BOND  
7 SHALL BE IN AN AMOUNT EQUAL TO TWICE THE VALUE OF THE SNOWMOBILE AS  
8 DETERMINED BY THE SECRETARY OF STATE AND SHALL BE CONDITIONED TO  
9 INDEMNIFY OR REIMBURSE THE SECRETARY OF STATE, ANY PRIOR OWNER, AND  
10 ANY SUBSEQUENT PURCHASER OF THE SNOWMOBILE AND THEIR SUCCESSORS IN  
11 INTEREST AGAINST ANY EXPENSE, LOSS, OR DAMAGE, INCLUDING REASONABLE  
12 ATTORNEY FEES, INCURRED AS A RESULT OF THE ISSUANCE OF A  
13 CERTIFICATE OF REGISTRATION FOR THE SNOWMOBILE OR ANY DEFECT IN THE  
14 RIGHT, TITLE, OR INTEREST OF THE APPLICANT IN THE SNOWMOBILE. AN  
15 INTERESTED PERSON HAS A RIGHT OF ACTION TO RECOVER ON THE BOND FOR  
16 A BREACH OF THE CONDITIONS OF THE BOND, BUT THE AGGREGATE LIABILITY  
17 OF THE SURETY TO ALL PERSON SHALL NOT EXCEED THE AMOUNT OF THE  
18 BOND. THE BOND SHALL BE RETURNED AT THE END OF 3 YEARS, OR BEFORE 3  
19 YEARS IF THE SNOWMOBILE IS NO LONGER REGISTERED IN THIS STATE AND  
20 THE CURRENTLY VALID CERTIFICATE OF REGISTRATION IS SURRENDERED TO  
21 THE SECRETARY OF STATE, UNLESS THE SECRETARY OF STATE HAS RECEIVED  
22 NOTIFICATION OF THE PENDENCY OF AN ACTION TO RECOVER ON THE BOND.  
23 IF THE SECRETARY OF STATE IS NOT SATISFIED AS TO THE OWNERSHIP OF A  
24 SNOWMOBILE THAT IS WORTH \$2,500.00 OR LESS, THE SECRETARY OF STATE  
25 SHALL REQUIRE THE APPLICANT TO CERTIFY THAT THE APPLICANT IS THE  
26 OWNER OF THE SNOWMOBILE AND ENTITLED TO REGISTER THE SNOWMOBILE.

27 (3) ~~-(2)-~~ The owner of a snowmobile at the time application



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

10 (4) ~~(3)~~ The department of state may destroy a record of a  
11 certificate of registration 5 years after expiration of the  
12 certificate.