

HOUSE BILL No. 4920

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 80307, 80309, 81112, and 82105 (MCL 324.80307, 324.80309, 324.81112, and 324.82105), 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:

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.