

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 821

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending sections 503, 44501, 44516, 44518, 44520a, 44522, and
80124 (MCL 324.503, 324.44501, 324.44516, 324.44518, 324.44520a,
324.44522, and 324.80124), section 503 as amended by 2012 PA 240,
sections 44501, 44516, 44518, and 44520a as amended by 2012 PA
249, section 44522 as amended by 1998 PA 262, and section 80124
as amended by 2012 PA 28.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 503. (1) The department shall protect and conserve the
2 natural resources of this state; provide and develop facilities
3 for outdoor recreation; prevent the destruction of timber and
4 other forest growth by fire or otherwise; promote the reforestation

1 of forestlands belonging to this state; prevent and guard against
2 the pollution of lakes and streams within this state and enforce
3 all laws provided for that purpose with all authority granted by
4 law; and foster and encourage the ~~protecting~~**PROTECTION** and
5 propagation of game and fish.

6 (2) The department has the power and jurisdiction over the
7 management, control, and disposition of all land under the public
8 domain, except for those lands under the public domain that are
9 managed by other state agencies to carry out their assigned
10 duties and responsibilities. On behalf of the people of this
11 state, the department may accept gifts and grants of land and
12 other property and may buy, sell, exchange, or condemn land and
13 other property, for any of the purposes of this part. Beginning
14 ~~90 days after the effective date of the 2012 amendatory act that~~
15 ~~amended this section,~~**SEPTEMBER 30, 2012,** the department shall
16 not acquire surface rights to land unless the department has
17 estimated the amount of annual payments in lieu of taxes on the
18 land, posted the estimated payments on its website for at least
19 30 days, and notified the affected local units of the estimated
20 payments at least 30 days before the acquisition.

21 (3) Before May 1, 2015, the department shall not acquire
22 surface rights to land if the department owns, or as a result of
23 the acquisition will own, the surface rights to more than
24 4,626,000 acres of land.

25 (4) Beginning May 1, 2015, the department shall not acquire
26 surface rights to land north of the Mason-Arenac line if the
27 department owns, or as a result of the acquisition will own, the

1 surface rights to more than 3,910,000 acres of land north of the
 2 Mason-Arenac line. ~~It is the intention of the legislature, if the~~
 3 ~~legislature approves the strategic plan, to amend this section to~~
 4 ~~remove the limitation set forth in this subsection.~~**THIS**

5 **SUBSECTION DOES NOT APPLY AFTER THE ENACTMENT OF LEGISLATION**
 6 **ADOPTING THE STRATEGIC PLAN.**

7 (5) For the purposes of subsections (3) and (4), the number
 8 of acres of land in which the department owns surface rights does
 9 not include any of the following:

10 (a) Land in which the department has a conservation
 11 easement.

12 (b) Land platted under the land division act, 1967 PA 288,
 13 MCL 560.101 to 560.293, or a predecessor act before ~~the effective~~
 14 ~~date of the amendatory act that added this subsection.~~**JULY 2,**
 15 **2012** if acquired by the department before ~~the effective date of~~
 16 ~~the amendatory act that added this subsection.~~**JULY 2, 2012.**

17 (c) Any of the following if acquired on or after ~~the~~
 18 ~~effective date of the amendatory act that added this~~
 19 ~~subsection.~~**JULY 2, 2012:**

20 (i) Land with an area of not more than 80 acres, or a right-
 21 of-way, for accessing other land owned by the department.

22 (ii) A trail, subject to all of the following:

23 (A) If the traveled portion of the trail is located within
 24 an abandoned railroad right-of-way, the land excluded is limited
 25 to the abandoned railroad right-of-way.

26 (B) If the traveled portion of the trail is located in a
 27 utility easement, the land excluded is limited to the utility

1 easement.

2 (C) If sub-subparagraphs (A) and (B) do not apply, the land
3 excluded is limited to the traveled portion of the trail and
4 contiguous land. The area of the contiguous land shall not exceed
5 the product of 100 feet multiplied by the length of the trail in
6 feet.

7 (iii) Land that, on ~~the effective date of the amendatory act~~
8 ~~that added this subsection,~~ **JULY 2, 2012** was commercial
9 forestland as defined in section 51101 if the land continues to
10 be used in a manner consistent with part 511.

11 (iv) Land acquired by the department by gift, including the
12 gift of funds specifically dedicated to land acquisition.

13 (v) Land acquired by the department through litigation.

14 (6) The department shall maintain a record of land as
15 described in subsection (5)(a) to (c). The record shall include
16 the location, acreage, date of acquisition, and use of the land.
17 The department shall post and maintain on its website all of the
18 following information:

19 (a) The number of acres of land, including land as described
20 in subsection (5), in which the department owns surface rights
21 north of the Mason-Arenac line, south of the Mason-Arenac line,
22 in total for this state, and by program.

23 (b) The number of acres of land, excluding land as described
24 in subsection (5), in which the department owns surface rights
25 north of the Mason-Arenac line, south of the Mason-Arenac line,
26 in total for this state, and by program.

27 (7) By October 1, 2014, the department shall develop a

1 written strategic plan to guide the acquisition and disposition
2 of state lands managed by the department, submit the plan to the
3 senate and house committees with primary responsibility for
4 natural resources and outdoor recreation and the corresponding
5 appropriation subcommittees, and post the plan on the
6 department's website. In developing the plan, the department
7 shall solicit input from the public and local units of
8 government.

9 (8) The strategic plan shall do all of the following:

10 (a) Divide this state into regions.

11 (b) Identify lands managed by the department in each region.

12 (c) Set forth for each region measurable strategic
13 performance goals with respect to all of the following for land
14 managed by the department:

15 (i) Maximizing availability of points of access to the land
16 and to bodies of water on or adjacent to the land.

17 (ii) Maximizing outdoor recreation opportunities.

18 (iii) Forests.

19 (iv) Wildlife and fisheries.

20 (d) To assist in achieving the goals set forth in the
21 strategic plan pursuant to subdivision (c), identify all of the
22 following:

23 (i) Land to be acquired.

24 (ii) Land to be disposed of.

25 (iii) Plans for natural resource management.

26 (e) To the extent feasible, identify public lands in each
27 region that are not managed by the department but affect the

1 achievement of the goals set forth in the strategic plan pursuant
2 to subdivision (c).

3 (f) Identify ways that the department can better coordinate
4 the achievement of the goals set forth in the strategic plan
5 pursuant to subdivision (c), recognizing that public lands are
6 subject to multiple uses and both motorized and nonmotorized
7 uses.

8 (9) The department shall not implement the strategic plan as
9 it applies to land north of the Mason-Arenac line. ~~It is the~~
10 ~~intention of the legislature, if the legislature approves the~~
11 ~~strategic plan, to amend this section to remove the prohibition~~
12 ~~set forth in this subsection.~~ **THIS SUBSECTION DOES NOT APPLY**
13 **AFTER THE ENACTMENT OF LEGISLATION ADOPTING THE STRATEGIC PLAN.**

14 (10) The department shall annually report on the
15 implementation of the plan and submit and post the report in the
16 manner provided in subsection (7).

17 (11) ~~(10) Beginning 8 years after the effective date of the~~
18 ~~amendatory act that added this subsection~~ **JULY 2, 2020** and every
19 6 years thereafter, the department shall update the strategic
20 plan and submit and post the updated plan in the manner provided
21 in subsection (7). At least 60 days before posting the updated
22 plan, the department shall prepare, submit, and post in the
23 manner provided in subsection (7) a report on progress toward the
24 goals set forth pursuant to subsection (8)(c) in portions of this
25 state where, subject to subsection (9), the plan is being
26 implemented and any proposed changes to the goals, including the
27 rationale for the changes. The submittal and posting shall

1 include department contact information for persons who wish to
2 comment on the report.

3 (12) ~~(11)~~—At least 30 days before acquiring or disposing of
4 land, the department shall submit to the senate and house
5 committees with primary responsibility for natural resources and
6 outdoor recreation and the corresponding appropriations
7 subcommittees a statement identifying the land and describing the
8 effect of the proposed transaction on achieving the goals set
9 forth in the strategic plan pursuant to subsection (8)(c). The
10 statement shall include department contact information for
11 persons who wish to comment on the acquisition or disposition and
12 be in a standard format. The department shall also post the
13 statement on its website for at least 30 days before the
14 acquisition or disposition. This subsection does not apply before
15 the department submits the **STRATEGIC** plan to legislative
16 committees as required under subsection (7).

17 (13) ~~(12)~~—The department may accept funds, money, or grants
18 for development of salmon and steelhead trout fishing in this
19 state from the government of the United States, or any of its
20 departments or agencies, pursuant to the anadromous fish
21 conservation act, 16 USC 757a to 757f, and may use this money in
22 accordance with the terms and provisions of that act. However,
23 the acceptance and use of federal funds does not commit state
24 funds and does not place an obligation upon the legislature to
25 continue the purposes for which the funds are made available.

26 (14) ~~(13)~~—The department may appoint persons to serve as
27 volunteers for the purpose of facilitating the responsibilities

1 of the department as provided in this part. Subject to the
2 direction of the department, a volunteer may use equipment and
3 machinery necessary for the volunteer service, including, but not
4 limited to, equipment and machinery to improve wildlife habitat
5 on state game areas.

6 (15) ~~(14)~~—The department may lease lands owned or controlled
7 by the department or may grant concessions on lands owned or
8 controlled by the department to any person for any purpose that
9 the department determines to be necessary to implement this part.
10 In granting a concession, the department shall provide that each
11 concession is awarded at least every 7 years based on extension,
12 renegotiation, or competitive bidding. However, if the department
13 determines that a concession requires a capital investment in
14 which reasonable financing or amortization necessitates a longer
15 term, the department may grant a concession for up to a 15-year
16 term. A concession granted under this subsection shall require,
17 unless the department authorizes otherwise, that all buildings
18 and equipment shall be removed at the end of the concession's
19 term. Any lease entered into under this subsection shall limit
20 the purposes for which the leased land is to be used and shall
21 authorize the department to terminate the lease upon a finding
22 that the land is being used for purposes other than those
23 permitted in the lease. Unless otherwise provided by law, money
24 received from a lease or a concession of tax reverted land shall
25 be credited to the fund providing financial support for the
26 management of the leased land. Money received from a lease of all
27 other land shall be credited to the fund from which the land was

1 purchased. However, money received from program-related leases on
2 these lands shall be credited to the fund providing financial
3 support for the management of the leased lands. For land managed
4 by the forest management division of the department, that fund is
5 either the forest development fund established pursuant to
6 section 50507 or the forest recreation account of the Michigan
7 conservation and recreation legacy fund provided for in section
8 2005. For land managed by the wildlife or fisheries division of
9 the department, that fund is the game and fish protection account
10 of the Michigan conservation and recreation legacy fund provided
11 for in section 2010.

12 (16) ~~(15)~~—When the department sells land, the deed by which
13 the land is conveyed may reserve all mineral, coal, oil, and gas
14 rights to this state only when the land is in production or is
15 leased or permitted for production, or when the department
16 determines that the land has unusual or sensitive environmental
17 features or that it is in the best interest of this state to
18 reserve those rights as determined by commission policy. However,
19 the department shall not reserve the rights to sand, gravel,
20 clay, or other nonmetallic minerals. When the department sells
21 land that contains subsurface rights, the department shall
22 include a deed restriction that restricts the subsurface rights
23 from being severed from the surface rights in the future. If the
24 landowner severs the subsurface rights from the surface rights,
25 the subsurface rights revert to this state. The deed may reserve
26 to this state the right of ingress and egress over and across
27 land along watercourses and streams. Whenever an exchange of land

1 is made with the United States government, a corporation, or an
2 individual for the purpose of consolidating the state forest
3 reserves, the department may issue deeds without reserving to
4 this state the mineral, coal, oil, and gas rights and the rights
5 of ingress and egress. The department may sell the limestone,
6 sand, gravel, or other nonmetallic minerals. However, the
7 department shall not sell a mineral or nonmetallic mineral right
8 if the sale would violate part 353, part 637, or any other
9 provision of law. The department may sell all reserved mineral,
10 coal, oil, and gas rights to such lands upon terms and conditions
11 as the department considers proper and may sell oil and gas
12 rights as provided in part 610. The owner of those lands as shown
13 by the records shall be given priority in case the department
14 authorizes any sale of those lands, and, unless the landowner
15 waives that priority, the department shall not sell such rights
16 to any other person. For the purpose of this section, mineral
17 rights do not include rights to sand, gravel, clay, or other
18 nonmetallic minerals.

19 (17) ~~(16)~~—The department may enter into contracts for the
20 sale of the economic share of royalty interests it holds in
21 hydrocarbons produced from devonian or antrim shale qualifying
22 for the nonconventional source production credit determined under
23 section 45k of the internal revenue code of 1986, 26 USC 45k.
24 However, in entering into these contracts, the department shall
25 assure that revenues to the natural resources trust fund under
26 these contracts are not less than the revenues the natural
27 resources trust fund would have received if the contracts were

1 not entered into. The sale of the economic share of royalty
2 interests under this subsection may occur under contractual terms
3 and conditions considered appropriate by the department and as
4 approved by the state administrative board. Funds received from
5 the sale of the economic share of royalty interests under this
6 subsection shall be transmitted to the state treasurer for
7 deposit in the state treasury as follows:

8 (a) Net proceeds allocable to the nonconventional source
9 production credit determined under section 45k of the internal
10 revenue code of 1986, 26 USC 45k, under this subsection shall be
11 credited to the environmental protection fund created in section
12 503a.

13 (b) Proceeds related to the production of oil or gas from
14 devonian or antrim shale shall be credited to the natural
15 resources trust fund or other applicable fund as provided by law.

16 (18) ~~(17)~~—As used in this section:

17 (a) "Concession" means an agreement between the department
18 and a person under terms and conditions as specified by the
19 department to provide services or recreational opportunities for
20 public use.

21 (b) "Lease" means a conveyance by the department to a person
22 of a portion of this state's interest in land under specific
23 terms and for valuable consideration, thereby granting to the
24 lessee the possession of that portion conveyed during the period
25 stipulated.

26 (c) "Mason-Arenac line" means the line formed by the north
27 boundaries of Mason, Lake, Osceola, Clare, Gladwin, and Arenac

1 counties.

2 (d) "Natural resources trust fund" means the Michigan
3 natural resources trust fund established in section 35 of article
4 IX of the state constitution of 1963 and provided for in section
5 1902.

6 (e) "Net proceeds" means the total receipts received from
7 the sale of royalty interests under subsection ~~(16)~~-(17) less
8 costs related to the sale. Costs may include, but are not limited
9 to, legal, financial advisory, geological or reserve studies, and
10 accounting services.

11 (f) "Strategic plan" or "plan" means the plan developed
12 under subsection (7).

13 Sec. 44501. As used in this part:

14 (a) "Boat livery" means a place of business or any location
15 where a person rents or offers for rent any vessel other than a
16 nonmotorized raft to the general public for noncommercial use on
17 the waters of this state. Boat livery does not include a place
18 where a person offers cabins, cottages, motel rooms, hotel rooms,
19 or other similar rental units if vessels are furnished only for
20 the use of persons occupying the units.

21 (b) "Carrying passengers for hire" or "carry passengers for
22 hire" means the transporting of any individual on a vessel other
23 than a nonmotorized raft for consideration directly or indirectly
24 paid to the owner of the vessel, the owner's agent, the operator
25 of the vessel, or any other person who holds any interest in the
26 vessel.

27 (c) "Charter boat" means a vessel other than a nonmotorized

1 raft that is rented or offered for rent to carry passengers for
2 hire if the owner or the owner's agent retains possession,
3 command, and control of the vessel.

4 (d) "Class A vessel" means a vessel, except a sailboat, that
5 carries for hire on navigable waters not more than 6 passengers.

6 (e) "Class B vessel" means a vessel, except a sailboat, that
7 carries for hire on inland waters not more than 6 passengers.

8 (f) "Class C vessel" means a vessel, except a sailboat, that
9 carries for hire on inland waters more than 6 passengers.

10 (g) "Class D vessel" means a vessel that is propelled
11 primarily by a sail or sails and carries for hire on navigable
12 waters not more than 6 passengers or carries passengers for hire
13 on inland waters.

14 (h) "Class E vessel" means a vessel that carries not more
15 than 6 passengers for hire and meets either of the following
16 requirements:

17 (i) Is utilized primarily as a river-drift boat that is
18 propelled primarily by hand.

19 (ii) Is a vessel that is 18 feet or less in length operated
20 primarily on a river or tributary to the Great Lakes, Lake St.
21 Clair, or their connecting waterways.

22 (i) "Equipment" means a system, part, or component of a
23 vessel as originally manufactured, or a system, part, or
24 component manufactured or sold for replacement, repair, or
25 improvement of a system, part, or component of a vessel; an
26 accessory or equipment for, or appurtenance to, a vessel; or a
27 marine safety article, accessory, or equipment intended for use

1 by an individual on board a vessel; but does not include radio
2 equipment.

3 (j) "Inland waters" means all waters of this state, except
4 navigable waters.

5 (k) "Livery boat" means a vessel, other than a nonmotorized
6 raft, that is rented or offered for rent by a boat livery or a
7 boat owner or his or her agent if the boat livery or boat owner
8 or his or her agent relinquishes or offers to relinquish complete
9 physical control of the vessel to the renter while retaining
10 legal title to the vessel.

11 (l) "Navigable waters" means those waters of the state over
12 which this state and the United States coast guard exercise
13 concurrent jurisdiction, including the Great Lakes and waters
14 connected to the Great Lakes, to the upstream limit of navigation
15 as determined by the United States army corps of engineers.

16 (m) "Navigable waters livery boat" means a livery boat **OTHER**
17 **THAN A NONMOTORIZED CANOE OR KAYAK** that is more than 20 feet in
18 length and is rented or offered for rent for use on navigable
19 waters.

20 (n) "Operate", when used with reference to a vessel, means
21 to start any propulsion engine or to physically control the
22 motion, direction, or speed of the vessel.

23 (o) "Owner", when used in reference to a vessel, means a
24 person who claims lawful possession of the vessel by virtue of
25 legal title or an equitable interest in a vessel that entitles
26 that person to possession of the vessel.

27 (p) "Passenger" means an individual carried on board a

1 charter boat except ~~either~~ **ANY** of the following:

2 (i) The owner of the vessel or the owner's agent.

3 (ii) The pilot and members of the crew of the vessel who have
4 not contributed consideration for their transportation either
5 before, during, or after the voyage.

6 (q) "Peace officer" means a sheriff or sheriff's deputy;
7 village or township marshal; officer of the police department of
8 any city, village, or township; officer of the Michigan state
9 police; or other police officer or law enforcement officer who is
10 trained and certified pursuant to the commission on law
11 enforcement standards act, 1965 PA 203, MCL 28.601 to 28.616, and
12 includes the director and conservation officers employed by the
13 department.

14 (r) "Personal watercraft" means a vessel that meets all of
15 the following requirements:

16 (i) Uses a motor-driven propeller or an internal combustion
17 engine powering a water jet pump as its primary source of
18 propulsion.

19 (ii) Is designed without an open load carrying area that
20 would retain water.

21 (iii) Is designed to be operated by 1 or more individuals
22 positioned on, rather than within, the confines of the hull.

23 (s) "Pilot's license" means a vessel operator's license
24 issued by the United States coast guard or other federal agency,
25 or a license issued by the department to an operator of a charter
26 boat that is operated on inland waters.

27 (t) "Training or instructional purposes" means the teaching

1 of any individual in the handling and navigation of a vessel or
2 the techniques of waterskiing.

3 (u) "Vessel" means every description of watercraft, other
4 than a seaplane, used or capable of being used as a means of
5 transportation on water irrespective of the method of operation
6 or propulsion.

7 (v) "Waters of the state" means any waters within the
8 territorial limits of this state and includes those waters of the
9 Great Lakes which are under the jurisdiction of this state.

10 (w) "Waterways account" means the waterways account of the
11 Michigan conservation and recreation legacy fund provided for in
12 section 2035.

13 Sec. 44516. (1) A boat livery shall not rent a motorized
14 livery boat unless the livery boat has a current annual
15 inspection decal, plate, or tab as provided under section 44518.

16 (2) Regardless of whether the livery boats are motorized or
17 nonmotorized, a person shall not operate a boat livery except as
18 authorized by a permit issued pursuant to part 13. Subject to
19 subsection (7), the owner of a boat livery shall submit an
20 application for a boat livery permit to the sheriff's department
21 of the county where the boat livery is located. The application
22 for a boat livery permit shall include all of the following:

23 (a) The boat livery name.

24 (b) The mailing address of the boat livery.

25 (c) The location of the boat livery.

26 (d) The waters of the state on which the boat livery rents
27 vessels.

1 (e) The number ~~and types of livery boats available for rent,~~
2 ~~including whether the boats are motorized.~~ **OF EACH OF THE**
3 **FOLLOWING AVAILABLE FOR RENT:**

4 (i) **MOTORIZED LIVERY BOATS, OTHER THAN NAVIGABLE WATERS**
5 **LIVERY BOATS.**

6 (ii) **NONMOTORIZED LIVERY BOATS, OTHER THAN NAVIGABLE WATERS**
7 **LIVERY BOATS.**

8 (iii) **NAVIGABLE WATERS LIVERY BOATS.**

9 (3) An application for a boat livery permit shall be
10 accompanied by an inspection fee of \$100.00 for each navigable
11 waters livery boat that the boat livery rents or offers to rent.
12 A fee collected under this subsection shall be forwarded to the
13 department of treasury to be credited to the marine safety
14 subaccount of the waterways account. An inspection of a navigable
15 waters livery boat shall be a comprehensive dockside inspection.

16 (4) ~~After a sheriff's department receives an application for~~
17 ~~a boat livery permit, if~~ **IF** the boat livery rents or offers for
18 rent 1 or more motorized livery boats, **AFTER THE SHERIFF'S**
19 **DEPARTMENT RECEIVES AN APPLICATION FOR A BOAT LIVERY PERMIT UNDER**
20 **SUBSECTION (3),** the county sheriff or a deputy sheriff shall
21 inspect the motorized livery boats and associated equipment to
22 determine if they meet the minimum safety standards established
23 under rules promulgated under this part.

24 (5) A boat livery permit shall be issued if any of the
25 following apply:

26 (a) One or more motorized livery boats and their associated
27 equipment pass inspection under subsection (4).

1 (b) The boat livery rents or offers for rent 1 or more
2 nonmotorized livery boats.

3 (6) A boat livery owner shall ~~ensure that~~ **PROMINENTLY**
4 **DISPLAY** a boat livery permit issued under subsection (5) ~~is~~
5 ~~prominently displayed~~ on the site of the boat livery. The permit
6 expires on May 31 of the year following the year in which the
7 permit is issued.

8 (7) The department and a conservation officer shall exercise
9 the powers and perform the duties of the county sheriff's
10 department and a sheriff or deputy sheriff under this section and
11 section 44518 under any of the following circumstances:

12 (a) If the county does not receive state aid under section
13 80117 to conduct a marine safety program.

14 (b) If the boat livery rents or offers to rent a navigable
15 waters livery boat.

16 (8) The department of natural resources shall furnish boat
17 livery permit application forms, blank boat livery permits,
18 registration decals, and inspection decals, plates, or tabs to
19 the sheriff's department.

20 Sec. 44518. (1) The sheriff of the county where a boat
21 livery is located or a deputy sheriff shall affix or cause to be
22 affixed an inspection decal, plate, or tab to each motorized
23 livery boat that passes the inspection under section 44516.

24 (2) An inspection decal, plate, or tab under subsection (1)
25 expires on May 31 of the year following the year in which the
26 **INSPECTION** decal, plate, or tab is issued. The inspection decal,
27 plate, or tab shall bear all of the following information:

1 (a) The maximum number of persons permitted to be carried
2 aboard the motorized livery boat.

3 (b) The maximum horsepower of a motor permitted to be used
4 on the motorized livery boat.

5 (c) ~~Other~~ **ANY OTHER** information ~~as~~ **THAT** the department may
6 reasonably require.

7 (3) A boat livery owner shall pay to the sheriff or deputy
8 sheriff a fee of \$2.00 for each decal, plate, or tab affixed
9 under subsection (1) to a motorized livery boat other than a
10 navigable waters livery boat. Fees collected under this
11 subsection shall be forwarded as follows:

12 (a) Except as provided in subdivision (b), to the treasurer
13 of the county in which the fee is collected to be credited for
14 the purpose of reimbursing the sheriff's department for expenses
15 incurred under this part.

16 (b) If, pursuant to section 44516(7), a conservation officer
17 performs the inspection, to the department of treasury to be
18 credited to the marine safety subaccount of the waterways
19 account.

20 Sec. 44520a. (1) An owner of a nonmotorized livery boat is
21 not liable for an injury to or the death of a user of the
22 nonmotorized livery boat resulting from a risk inherent in the
23 use or operation of a nonmotorized livery boat.

24 (2) An owner of a nonmotorized livery boat shall ~~post~~
25 **DISPLAY** in conspicuous locations a notice specifying that a user
26 of the nonmotorized livery boat accepts the risk inherent in the
27 use or operation of a nonmotorized livery boat.

1 (3) As used in this section:

2 (a) "Owner of a nonmotorized livery boat" means the person
3 who owns the nonmotorized livery boat, the boat livery that rents
4 or furnishes the nonmotorized livery boat for use, or an employee
5 or agent of the owner or boat livery.

6 (b) "Risk inherent in the use or operation of a nonmotorized
7 livery boat" means a danger or condition that is an integral part
8 of the use or operation of a nonmotorized livery boat and is
9 limited to 1 or more of the following:

10 (i) Wave or other water motion.

11 (ii) Weather conditions.

12 (iii) Contact or maneuvers necessary to avoid contact with
13 another vessel or a manmade object in or near the water.

14 (iv) Contact or maneuvers necessary to avoid contact with
15 rock, sand, vegetation, or other natural objects in or near the
16 water.

17 (v) Malfunction of equipment, except for equipment owned by
18 the owner of a nonmotorized livery boat.

19 (vi) Failure to use or wear a personal flotation device or to
20 have lifesaving equipment available, except if the owner of a
21 nonmotorized livery boat failed to provide the personal flotation
22 device or lifesaving equipment when required by law to do so.

23 (vii) The actions of a vessel operator, except if the owner
24 of a nonmotorized livery boat rented the livery boat to an
25 operator who the owner knew or in the exercise of reasonable care
26 should have known was disqualified by law from operating the
27 livery boat.

1 (viii) Having on board a number of persons or weight of
 2 persons, gear, and other items that exceeds the maximum approved
 3 for the livery boat, except in any of the following
 4 circumstances:

5 (A) If the owner of a nonmotorized livery boat knowingly
 6 ~~allowed the livery boat to leave the boat livery's premises~~
 7 **RELINQUISHED PHYSICAL CONTROL OF THE LIVERY BOAT TO A USER OF THE**
 8 **NONMOTORIZED LIVERY BOAT** with a number of persons or weight of
 9 persons, gear, and other items on board that exceeds the maximum
 10 approved for the livery boat or did not properly inform the user
 11 **OF THE NONMOTORIZED LIVERY BOAT** of the maximum weight or number
 12 of persons approved for the livery boat.

13 (B) If a nonmotorized livery boat did not display the
 14 maximum number of persons or maximum weight of persons, gear, or
 15 other items permitted to be carried on board as required under
 16 section 44520 when the boat livery owner relinquished physical
 17 control of the livery boat to ~~the renter or an individual in the~~
 18 ~~renter's party.~~ **A USER OF THE NONMOTORIZED LIVERY BOAT.**

19 (c) "User of the nonmotorized livery boat" means an
 20 individual who participates in the use or operation of the
 21 nonmotorized livery boat regardless of whether the individual
 22 rented the nonmotorized livery boat.

23 Sec. 44522. (1) A boat livery shall not ~~lease, hire, or rent~~
 24 a personal watercraft to any of the following:

25 (a) A person who is under 14 years of age.

26 (b) A person who does not display a boater safety
 27 certificate that is issued by the department ~~as~~ **IF** required under

1 ~~the personal watercraft safety act, 1998 PA 116, MCL 281.1401 to~~
2 ~~281.1445.~~ **PART 802.**

3 (c) A person who is not required to obtain a boater safety
4 certificate issued by the department under ~~the personal~~
5 ~~watercraft safety act, 1998 PA 116, MCL 281.1401 to 281.1445,~~
6 **PART 802** before operating a personal watercraft, unless the
7 person obtains training in the safe use of a personal watercraft
8 from the boat livery ~~prior to the lease, hire, or rent of~~ **BEFORE**
9 the personal watercraft **IS RENTED**. The department shall provide
10 to boat liveries guidelines for the training required under this
11 subdivision.

12 (2) A person who ~~leases, hires, or rents~~ a personal
13 watercraft from a boat livery shall not permit an individual to
14 operate the personal watercraft if the individual has not
15 obtained a boating safety certificate ~~or other certification as~~
16 required under ~~the personal watercraft safety act, 1998 PA 116,~~
17 ~~MCL 281.1401 to 281.1445.~~ **PART 802.**

18 (3) A boat livery shall provide a copy of the written rental
19 agreement to each individual who ~~leases, hires, or rents~~ a
20 personal watercraft from the boat livery and who has obtained the
21 training required under subsection (1). The written rental
22 agreement shall include all of the following information:

23 (a) The name of the person who ~~leases, hires, or rents~~ a
24 personal watercraft from the boat livery.

25 (b) The date or dates of the ~~lease, hire, or rental.~~

26 (4) The written rental agreement described under subsection

27 (3) is a valid boating safety certificate under ~~the personal~~

1 ~~watercraft safety act, 1998 PA 116, MCL 281.1401 to 281.1445,~~
2 **PART 802** only for the person named in the certificate on the date
3 or dates of the ~~lease, hire, or rental~~ of the personal
4 watercraft.

5 (5) A person who ~~leases, hires, or rents~~ a personal
6 watercraft from a boat livery is liable for any injury occasioned
7 by the negligent operation of the personal watercraft, whether
8 the negligence consists of a violation of the statutes of this
9 state, or ~~in the~~ failure to observe the ordinary care in ~~the~~
10 operation ~~that the rules of~~ **REQUIRED BY** the common law. ~~require.~~
11 The person is not liable unless the personal watercraft is being
12 used with his or her expressed or implied consent. It shall be
13 rebuttably presumed that the personal watercraft is being
14 operated with the knowledge and consent of the person if it is
15 driven at the time of the injury by his or her son, daughter,
16 spouse, father, mother, brother, sister, or other immediate
17 member of the person's family.

18 (6) A person who violates subsection (1) or (2) is guilty of
19 a misdemeanor, punishable by imprisonment for not more than 90
20 days or a fine of not less than \$100.00 or more than \$500.00, or
21 both. A person who violates subsection (1) or (2) twice within a
22 3-year period is guilty of a misdemeanor punishable by
23 imprisonment for not more than 90 days or a fine of not more than
24 \$1,000.00, or both. A person who violates subsection (1) or (2) 3
25 or more times within a 5-year period is guilty of a misdemeanor
26 punishable by imprisonment for not more than 90 days or a fine of
27 not more than \$2,000.00, or both.

1 (7) In addition to any penalty imposed under subsection (6),
2 upon a person's second or subsequent violation of subsection (1),
3 the court may issue an order impounding the personal watercraft
4 that was ~~leased, hired, or rented~~ in violation of subsection (1)
5 for a ~~period of~~ not more than 1 year. The cost of storage for an
6 impoundment ordered under this subsection shall be paid by the
7 owner of the personal watercraft.

8 Sec. 80124. (1) Except as otherwise provided in this
9 section, the owner of a vessel required, pursuant to sections
10 80122 and 80123, to be numbered and to display a decal shall file
11 an application for a certificate of number with the secretary of
12 state. The secretary of state shall prescribe and furnish
13 certificate of title application forms. If a vessel requiring a
14 certificate of title under part 803 is sold by a dealer, that
15 dealer shall combine the application for a certificate of number
16 that is signed by the vessel owner with the application for a
17 certificate of title. The dealer shall obtain the certificate of
18 number in the name of the owner. The application for a
19 certificate of number shall include a certification. The owner of
20 the vessel shall sign the application or, if the application is
21 filed electronically, provide information requested by the
22 secretary of state to verify the owner's identity. A person shall
23 not file an application for a certificate of number that contains
24 false information. A dealer who fails to submit an application as
25 required by this section is guilty of a misdemeanor, punishable
26 by imprisonment for not more than 90 days, or a fine of not more
27 than \$100.00, or both.

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

6 (3) A dealer may issue a 15-day permit, on a form prescribed
7 by the secretary of state, for the use of a vessel purchased in
8 this state and delivered to the purchaser for removal to a place
9 outside of this state, if the purchaser certifies by his or her
10 signature that the vessel will be registered and primarily used
11 and stored outside of this state and will not be returned to this
12 state by the purchaser for use or storage. A certificate of
13 number shall not be issued for a vessel holding a permit under
14 this subsection.

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

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

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

- 24 (a) A 15-day permit issued under subsection (3).. \$ 10.00
- 25 (b) Nonpowered vessels, other than nonmotorized
- 26 canoes or kayaks..... 9.00
- 27 (c) Nonmotorized canoes or kayaks..... 5.00

1	(d) Motorboats less than 12 feet in length.....	14.00
2	(e) Motorboats 12 feet or over but less than	
3	16 feet in length.....	17.00
4	(f) Motorboats 16 feet or over but less than	
5	21 feet in length.....	42.00
6	(g) Motorboats 21 feet or over but less than	
7	28 feet in length.....	115.00
8	(h) Motorboats 28 feet or over but less than	
9	35 feet in length.....	168.00
10	(i) Motorboats 35 feet or over but less than	
11	42 feet in length.....	244.00
12	(j) Motorboats 42 feet or over but less than	
13	50 feet in length.....	280.00
14	(k) Motorboats 50 feet in length or over.....	448.00
15	(l) Pontoon vessels regardless of size.....	23.00
16	(m) Motorized canoes regardless of size.....	14.00
17	(n) Vessels licensed under part 473.....	15.00
18	(o) Vessels carrying passengers for hire that	
19	are in compliance with part 445, or under federal law;	
20	and vessels carrying passengers and freight or freight	
21	only and owned within this state or hailing from a	
22	port within this state.....	45.00

23 (7) As used in this section, "the length of a vessel" means
24 the distance from end to end over the deck, excluding the
25 longitudinal upward or downward curve of the deck, fore and aft.
26 ~~A FOR A pontoon boat, shall be measured by~~ **LENGTH OF A VESSEL**
27 **MEANS** the length of its deck, fore and aft.

28 (8) Payment of the fee specified in this section exempts the
29 vessel from the tax imposed under the general property tax act,

1 1893 PA 206, MCL 211.1 to 211.155.

2 (9) Upon receipt of an initial application for a certificate
3 of number in approved form and payment of the required fee, the
4 secretary of state shall enter the information upon the official
5 records and issue to the applicant a certificate of number
6 containing the number awarded to the vessel, the name and address
7 of the owner, and other information that the secretary of state
8 determines necessary. The secretary of state shall issue a
9 certificate of number that is pocket size and legible. Except as
10 provided in subsection (13), a person operating a vessel shall
11 present that vessel's certificate of number to a peace officer
12 upon the peace officer's request.

13 (10) If a check or draft payable to the secretary of state
14 under this part is not paid on its first presentation, the fee or
15 tax is delinquent as of the date the draft or check was tendered.
16 The person tendering the check or draft remains liable for the
17 payment of ~~each~~**THE** fee or tax and a penalty.

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

22 (12) If a person who tenders a check or draft described in
23 subsection (10) fails to pay the fee or tax for which the check
24 or draft was tendered within 15 days after the secretary of state
25 gives him or her notice that the check or draft described in
26 subsection (10) was not paid on its first presentation, the
27 secretary of state shall assess and collect a penalty of \$5.00 or

1 20% of the check or draft, whichever is larger, in addition to
2 the fee or tax.

3 (13) The owner or authorized agent of the owner of a vessel
4 less than 26 feet in length that is leased or rented to a person
5 for noncommercial use for not more than 24 hours may retain, at
6 the place from which the vessel departs or returns to the
7 possession of the owner or the owner's representative, the
8 certificate of number for that vessel if a copy of the lease or
9 rental agreement is on the vessel. Upon the demand of a peace
10 officer, the operator shall produce for inspection either the
11 certificate of number or a copy of the lease or rental agreement
12 for that vessel. The lease or rental agreement shall contain each
13 of the following:

14 (a) The vessel number that appears on the certificate of
15 number.

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

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

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

22 (14) Upon receipt of a certificate of number for a vessel,
23 the owner of that vessel shall paint on or attach in a permanent
24 manner to each side of the forward half of the vessel the number
25 identified in the certificate of number, in the manner prescribed
26 by rules promulgated by the department. The secretary of state
27 shall assign to the owner of vessels for rent or lease a block of

1 numbers sufficient to number consecutively all of that owner's
2 rental or lease vessels. The owner shall maintain the numbers in
3 a legible condition. A vessel documented by the United States
4 coast guard or a federal agency that is the successor to the
5 United States coast guard is not required to display numbers
6 under this part but shall display a decal indicating payment of
7 the fee prescribed in subsection (6), and shall otherwise be in
8 compliance with this part. This subsection does not apply to a
9 nonpowered vessel 12 feet or less in length.

10 (15) Upon receipt of an application for a certificate of
11 number in an approved form and payment of the fee required by
12 this part, the secretary of state shall issue a decal ~~that is~~
13 ~~color coded and dated to identify the year of its expiration, and~~
14 that indicates that the vessel is numbered in compliance with
15 this part. **THE DECAL SHALL BE COLOR-CODED AND DATED TO IDENTIFY**
16 **THE YEAR OF ITS EXPIRATION.** The department shall promulgate a
17 rule or rules to establish the manner in which the decal is to be
18 displayed. A person who operates a vessel in violation of a rule
19 promulgated to implement this subsection is responsible for a
20 state civil infraction and may be ordered to pay a civil fine of
21 not more than \$500.00.

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

27 (17) Upon receipt of a request for renewal of a decal and

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

7 (18) The numbering system adopted under this part shall be
8 in accordance with the standard system of numbering established
9 by the secretary of the department in which the United States
10 coast guard operates.

11 (19) An agency of this state, a political subdivision of
12 this state, or a state supported college or university of this
13 state that owns a vessel that is required to be numbered under
14 this part shall register that vessel and upon payment of either
15 of the following shall receive from the secretary of state a
16 certificate of number for that vessel:

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

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

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

24 (21) A vessel that is 30 years of age or older and not used
25 other than in club activities, exhibitions, tours, parades, and
26 other similar activities is a historic vessel. The secretary of
27 state shall make available to the public application forms for

1 certificates of number for historic vessels and, upon receipt of
2 a completed application form and fee, shall number a historic
3 vessel as a historic vessel. The fee for the numbering of a
4 historic vessel is 1/3 of the otherwise applicable fee specified
5 in subsection (6).

6 (22) The secretary of state shall refund to the owner of a
7 vessel registered under this part all of the registration fee
8 paid for that vessel under this section if all of the following
9 conditions are met during the period for which the registration
10 fee was paid:

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

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

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

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