

Act No. 294
Public Acts of 2012
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**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2012**

Introduced by Senators Moolenaar, Hansen, Booher, Brandenburg, Pappageorge, Casperson and Proos

ENROLLED SENATE BILL No. 821

AN ACT to amend 1994 PA 451, entitled “An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” 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:

Sec. 503. (1) The department shall protect and conserve the natural resources of this state; provide and develop facilities for outdoor recreation; prevent the destruction of timber and other forest growth by fire or otherwise; promote the reforestation of forestlands belonging to this state; prevent and guard against the pollution of lakes and streams within this state and enforce all laws provided for that purpose with all authority granted by law; and foster and encourage the protection and propagation of game and fish.

(2) The department has the power and jurisdiction over the management, control, and disposition of all land under the public domain, except for those lands under the public domain that are managed by other state agencies to carry out their assigned duties and responsibilities. On behalf of the people of this state, the department may accept gifts and grants of land and other property and may buy, sell, exchange, or condemn land and other property, for any of the purposes of this part. Beginning September 30, 2012, the department shall not acquire surface rights to land unless the department has estimated the amount of annual payments in lieu of taxes on the land, posted the estimated payments on its website for at least 30 days, and notified the affected local units of the estimated payments at least 30 days before the acquisition.

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

(4) Beginning May 1, 2015, the department shall not acquire surface rights to land north of the Mason-Arenac line if the department owns, or as a result of the acquisition will own, the surface rights to more than 3,910,000 acres of land north of the Mason-Arenac line. This subsection does not apply after the enactment of legislation adopting the strategic plan.

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

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

- (b) Land platted under the land division act, 1967 PA 288, MCL 560.101 to 560.293, or a predecessor act before July 2, 2012 if acquired by the department before July 2, 2012.
- (c) Any of the following if acquired on or after July 2, 2012:
- (i) Land with an area of not more than 80 acres, or a right-of-way, for accessing other land owned by the department.
 - (ii) A trail, subject to all of the following:
 - (A) If the traveled portion of the trail is located within an abandoned railroad right-of-way, the land excluded is limited to the abandoned railroad right-of-way.
 - (B) If the traveled portion of the trail is located in a utility easement, the land excluded is limited to the utility easement.
 - (C) If sub-subparagraphs (A) and (B) do not apply, the land excluded is limited to the traveled portion of the trail and contiguous land. The area of the contiguous land shall not exceed the product of 100 feet multiplied by the length of the trail in feet.
 - (iii) Land that, on July 2, 2012 was commercial forestland as defined in section 51101 if the land continues to be used in a manner consistent with part 511.
 - (iv) Land acquired by the department by gift, including the gift of funds specifically dedicated to land acquisition.
 - (v) Land acquired by the department through litigation.
- (6) The department shall maintain a record of land as described in subsection (5)(a) to (c). The record shall include the location, acreage, date of acquisition, and use of the land. The department shall post and maintain on its website all of the following information:
- (a) The number of acres of land, including land as described in subsection (5), in which the department owns surface rights north of the Mason-Arenac line, south of the Mason-Arenac line, in total for this state, and by program.
 - (b) The number of acres of land, excluding land as described in subsection (5), in which the department owns surface rights north of the Mason-Arenac line, south of the Mason-Arenac line, in total for this state, and by program.
- (7) By October 1, 2014, the department shall develop a written strategic plan to guide the acquisition and disposition of state lands managed by the department, submit the plan to the senate and house committees with primary responsibility for natural resources and outdoor recreation and the corresponding appropriation subcommittees, and post the plan on the department's website. In developing the plan, the department shall solicit input from the public and local units of government.
- (8) The strategic plan shall do all of the following:
- (a) Divide this state into regions.
 - (b) Identify lands managed by the department in each region.
 - (c) Set forth for each region measurable strategic performance goals with respect to all of the following for land managed by the department:
 - (i) Maximizing availability of points of access to the land and to bodies of water on or adjacent to the land.
 - (ii) Maximizing outdoor recreation opportunities.
 - (iii) Forests.
 - (iv) Wildlife and fisheries.
 - (d) To assist in achieving the goals set forth in the strategic plan pursuant to subdivision (c), identify all of the following:
 - (i) Land to be acquired.
 - (ii) Land to be disposed of.
 - (iii) Plans for natural resource management.
 - (e) To the extent feasible, identify public lands in each region that are not managed by the department but affect the achievement of the goals set forth in the strategic plan pursuant to subdivision (c).
 - (f) Identify ways that the department can better coordinate the achievement of the goals set forth in the strategic plan pursuant to subdivision (c), recognizing that public lands are subject to multiple uses and both motorized and nonmotorized uses.
- (9) The department shall not implement the strategic plan as it applies to land north of the Mason-Arenac line. This subsection does not apply after the enactment of legislation adopting the strategic plan.
- (10) The department shall annually report on the implementation of the plan and submit and post the report in the manner provided in subsection (7).
- (11) Beginning July 2, 2020 and every 6 years thereafter, the department shall update the strategic plan and submit and post the updated plan in the manner provided in subsection (7). At least 60 days before posting the updated plan,

the department shall prepare, submit, and post in the manner provided in subsection (7) a report on progress toward the goals set forth pursuant to subsection (8)(c) in portions of this state where, subject to subsection (9), the plan is being implemented and any proposed changes to the goals, including the rationale for the changes. The submittal and posting shall include department contact information for persons who wish to comment on the report.

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

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

(14) The department may appoint persons to serve as volunteers for the purpose of facilitating the responsibilities of the department as provided in this part. Subject to the direction of the department, a volunteer may use equipment and machinery necessary for the volunteer service, including, but not limited to, equipment and machinery to improve wildlife habitat on state game areas.

(15) The department may lease lands owned or controlled by the department or may grant concessions on lands owned or controlled by the department to any person for any purpose that the department determines to be necessary to implement this part. In granting a concession, the department shall provide that each concession is awarded at least every 7 years based on extension, renegotiation, or competitive bidding. However, if the department determines that a concession requires a capital investment in which reasonable financing or amortization necessitates a longer term, the department may grant a concession for up to a 15-year term. A concession granted under this subsection shall require, unless the department authorizes otherwise, that all buildings and equipment shall be removed at the end of the concession's term. Any lease entered into under this subsection shall limit the purposes for which the leased land is to be used and shall authorize the department to terminate the lease upon a finding that the land is being used for purposes other than those permitted in the lease. Unless otherwise provided by law, money received from a lease or a concession of tax reverted land shall be credited to the fund providing financial support for the management of the leased land. Money received from a lease of all other land shall be credited to the fund from which the land was purchased. However, money received from program-related leases on these lands shall be credited to the fund providing financial support for the management of the leased lands. For land managed by the forest management division of the department, that fund is either the forest development fund established pursuant to section 50507 or the forest recreation account of the Michigan conservation and recreation legacy fund provided for in section 2005. For land managed by the wildlife or fisheries division of the department, that fund is the game and fish protection account of the Michigan conservation and recreation legacy fund provided for in section 2010.

(16) When the department sells land, the deed by which the land is conveyed may reserve all mineral, coal, oil, and gas rights to this state only when the land is in production or is leased or permitted for production, or when the department determines that the land has unusual or sensitive environmental features or that it is in the best interest of this state to reserve those rights as determined by commission policy. However, the department shall not reserve the rights to sand, gravel, clay, or other nonmetallic minerals. When the department sells land that contains subsurface rights, the department shall include a deed restriction that restricts the subsurface rights from being severed from the surface rights in the future. If the landowner severs the subsurface rights from the surface rights, the subsurface rights revert to this state. The deed may reserve to this state the right of ingress and egress over and across land along watercourses and streams. Whenever an exchange of land is made with the United States government, a corporation, or an individual for the purpose of consolidating the state forest reserves, the department may issue deeds without reserving to this state the mineral, coal, oil, and gas rights and the rights of ingress and egress. The department may sell the limestone, sand, gravel, or other nonmetallic minerals. However, the department shall not sell a mineral or nonmetallic mineral right if the sale would violate part 353, part 637, or any other provision of law. The department may sell all reserved mineral, coal, oil, and gas rights to such lands upon terms and conditions as the department considers proper and may sell oil and gas rights as provided in part 610. The owner of those lands as shown by the records shall be given priority in case the department authorizes any sale of those lands, and, unless the landowner waives that priority, the department shall not sell such rights to any other person. For the purpose of this section, mineral rights do not include rights to sand, gravel, clay, or other nonmetallic minerals.

(17) The department may enter into contracts for the sale of the economic share of royalty interests it holds in hydrocarbons produced from devonian or antrim shale qualifying for the nonconventional source production credit determined under section 45k of the internal revenue code of 1986, 26 USC 45k. However, in entering into these

contracts, the department shall assure that revenues to the natural resources trust fund under these contracts are not less than the revenues the natural resources trust fund would have received if the contracts were not entered into. The sale of the economic share of royalty interests under this subsection may occur under contractual terms and conditions considered appropriate by the department and as approved by the state administrative board. Funds received from the sale of the economic share of royalty interests under this subsection shall be transmitted to the state treasurer for deposit in the state treasury as follows:

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

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

(18) As used in this section:

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

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

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

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

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

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

Sec. 44501. As used in this part:

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

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

(c) "Charter boat" means a vessel other than a nonmotorized raft that is rented or offered for rent to carry passengers for hire if the owner or the owner's agent retains possession, command, and control of the vessel.

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

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

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

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

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

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

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

(i) "Equipment" means a system, part, or component of a vessel as originally manufactured, or a system, part, or component manufactured or sold for replacement, repair, or improvement of a system, part, or component of a vessel; an accessory or equipment for, or appurtenance to, a vessel; or a marine safety article, accessory, or equipment intended for use by an individual on board a vessel; but does not include radio equipment.

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

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

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

(m) "Navigable waters livery boat" means a livery boat other than a nonmotorized canoe or kayak that is more than 20 feet in length and is rented or offered for rent for use on navigable waters.

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

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

(p) "Passenger" means an individual carried on board a charter boat except any of the following:

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

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

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

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

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

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

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

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

(t) "Training or instructional purposes" means the teaching of any individual in the handling and navigation of a vessel or the techniques of waterskiing.

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

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

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

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

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

(a) The boat livery name.

(b) The mailing address of the boat livery.

(c) The location of the boat livery.

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

(e) The number of each of the following available for rent:

(i) Motorized livery boats, other than navigable waters livery boats.

(ii) Nonmotorized livery boats, other than navigable waters livery boats.

(iii) Navigable waters livery boats.

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

(4) If the boat livery rents or offers for rent 1 or more motorized livery boats, after the sheriff's department receives an application for a boat livery permit under subsection (3), the county sheriff or a deputy sheriff shall inspect the motorized livery boats and associated equipment to determine if they meet the minimum safety standards established under rules promulgated under this part.

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

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

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

(6) A boat livery owner shall prominently display a boat livery permit issued under subsection (5) on the site of the boat livery. The permit expires on May 31 of the year following the year in which the permit is issued.

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

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

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

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

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

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

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

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

(c) Any other information that the department may reasonably require.

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

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

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

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

(2) An owner of a nonmotorized livery boat shall display in conspicuous locations a notice specifying that a user of the nonmotorized livery boat accepts the risk inherent in the use or operation of a nonmotorized livery boat.

(3) As used in this section:

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

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

(i) Wave or other water motion.

(ii) Weather conditions.

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

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

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

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

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

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

(A) If the owner of a nonmotorized livery boat knowingly relinquished physical control of the livery boat to a user of the nonmotorized livery boat with a number of persons or weight of persons, gear, and other items on board that exceeds the maximum approved for the livery boat or did not properly inform the user of the nonmotorized livery boat of the maximum weight or number of persons approved for the livery boat.

(B) If a nonmotorized livery boat did not display the maximum number of persons or maximum weight of persons, gear, or other items permitted to be carried on board as required under section 44520 when the boat livery owner relinquished physical control of the livery boat to a user of the nonmotorized livery boat.

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

Sec. 44522. (1) A boat livery shall not rent a personal watercraft to any of the following:

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

(b) A person who does not display a boater safety certificate that is issued by the department if required under part 802.

(c) A person who is not required to obtain a boater safety certificate issued by the department under part 802 before operating a personal watercraft, unless the person obtains training in the safe use of a personal watercraft from the boat livery before the personal watercraft is rented. The department shall provide to boat liveries guidelines for the training required under this subdivision.

(2) A person who rents a personal watercraft from a boat livery shall not permit an individual to operate the personal watercraft if the individual has not obtained a boating safety certificate as required under part 802.

(3) A boat livery shall provide a copy of the written rental agreement to each individual who rents a personal watercraft from the boat livery and who has obtained the training required under subsection (1). The written rental agreement shall include all of the following information:

(a) The name of the person who rents a personal watercraft from the boat livery.

(b) The date or dates of the rental.

(4) The written rental agreement described under subsection (3) is a valid boating safety certificate under part 802 only for the person named in the certificate on the date or dates of the rental of the personal watercraft.

(5) A person who rents a personal watercraft from a boat livery is liable for any injury occasioned by the negligent operation of the personal watercraft, whether the negligence consists of a violation of the statutes of this state, or the failure to observe the ordinary care in operation required by the common law. The person is not liable unless the personal watercraft is being used with his or her expressed or implied consent. It shall be rebuttably presumed that the personal watercraft is being operated with the knowledge and consent of the person if it is driven at the time of the injury by his or her son, daughter, spouse, father, mother, brother, sister, or other immediate member of the person's family.

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

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

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

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

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

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

(5) A person shall operate or permit the operation of a vessel for which a 15-day permit has been issued under this section only if 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.....	5.00
(d) Motorboats less than 12 feet in length.....	14.00
(e) Motorboats 12 feet or over but less than 16 feet in length.....	17.00
(f) Motorboats 16 feet or over but less than 21 feet in length.....	42.00
(g) Motorboats 21 feet or over but less than 28 feet in length.....	115.00
(h) Motorboats 28 feet or over but less than 35 feet in length.....	168.00
(i) Motorboats 35 feet or over but less than 42 feet in length.....	244.00
(j) Motorboats 42 feet or over but less than 50 feet in length.....	280.00
(k) Motorboats 50 feet in length or over.....	448.00
(l) Pontoon vessels regardless of size.....	23.00
(m) Motorized canoes regardless of size.....	14.00
(n) Vessels licensed under part 473.....	15.00
(o) Vessels carrying passengers for hire that are in compliance with part 445, or under federal law; and vessels carrying passengers and freight or freight only and owned within this state or hailing from a port within this state.....	45.00

(7) As used in this section, “the length of a vessel” means the distance from end to end over the deck, excluding the longitudinal upward or downward curve of the deck, fore and aft. For a pontoon boat, length of a vessel means the length of its deck, fore and aft.

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

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

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

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

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

(13) The owner or authorized agent of the owner of a vessel less than 26 feet in length that is leased or rented to a person for noncommercial use for not more than 24 hours may retain, at the place from which the vessel departs or returns to the possession of the owner or the owner’s representative, the certificate of number for that vessel if a copy

of the lease or rental agreement is on the vessel. Upon the demand of a peace officer, the operator shall produce for inspection either the certificate of number or a copy of the lease or rental agreement for that vessel. The lease or rental agreement shall contain each of the following:

- (a) The vessel number that appears on the certificate of number.
- (b) The period of time for which the vessel is leased or rented.
- (c) The signature of the vessel's owner or that person's authorized agent.
- (d) The signature of the person leasing or renting the vessel.

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

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

(16) A decal is valid for a 3-year period that begins on April 1 and expires on March 31 of the third year. 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 with the standard system of numbering established by the secretary of the department in which the United States 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:

- (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.

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

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

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

- (a) The owner transfers or assigns title or interest in the registered vessel before placing the decal issued under subsection (15) on the vessel.
- (b) The owner surrenders the unused decal to the secretary of state within 30 days after the date of transfer or assignment.

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

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

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Gay E. Randall

Clerk of the House of Representatives

Approved

.....
Governor