

**SUBSTITUTE FOR
HOUSE BILL NO. 4419**

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 80312 (MCL 324.80312), as amended by 2000 PA
65.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 80312. (1) The secretary of state may issue a certificate
2 of title for a watercraft to a person who complies with subsection
3 (2) or (3) if the transfer of ownership of that watercraft is any
4 of the following:

5 (a) By operation of law including, but not limited to,
6 inheritance, devise, bequest, order in bankruptcy, insolvency,
7 replevin, or execution of sale.

8 (b) By sale to satisfy a storage or repair charge.

1 (c) By repossession upon default in performance of the terms
2 of a security agreement.

3 (d) As provided in subsection (3).

4 (2) A person applying for a certificate of title under this
5 section shall do all of the following:

6 (a) Surrender to the secretary of state either a valid
7 certificate of title or the manufacturer's or importer's
8 certificate for the watercraft or, if surrender of a certificate
9 for that watercraft is not possible, present proof satisfactory to
10 the secretary of state of the applicant's ownership of and right of
11 possession to the watercraft.

12 (b) Pay the fee prescribed in section 80311.

13 (c) Present to the secretary of state an application for
14 certificate of title.

15 (3) A person may petition the secretary of state for a
16 certificate or certificates of title for 1 or more registered
17 watercraft that the person does not own, if ~~each~~**all** of the
18 following circumstances ~~exists~~**exist**:

19 (a) The record owner of the registered watercraft dies without
20 leaving other property that requires the procurement of letters
21 under the estates and protected individuals code, 1998 PA 386, MCL
22 700.1101 to ~~700.8102~~**700.8206**.

23 (b) ~~The~~**On the date of the petition, the** total value of the
24 deceased owner's interest ~~in all watercraft subject to the~~
25 petition for a certificate or certificates of title under this
26 section ~~is \$100,000.00 or less~~**does not exceed the following dollar**
27 **amount, as applicable:**

28 (i) **For calendar years through 2023, \$100,000.00.**

29 (ii) **For the 2024 and 2025 calendar years, \$300,000.00.**

1 (iii) For the 2026 calendar year and each calendar year
2 thereafter, a dollar amount equal to the product of the dollar
3 amount applicable for the immediately preceding calendar year
4 multiplied by the cost-of-living adjustment factor, rounded to the
5 nearest \$1,000.00. Beginning with the dollar amount for the 2026
6 calendar year, and annually thereafter, the department of treasury
7 shall certify and publish the adjusted dollar amount applicable for
8 each calendar year by September 1 of the prior calendar year. As
9 used in this subparagraph:

10 (A) "Cost-of-living adjustment factor" means a fraction, the
11 numerator of which is the United States Consumer Price Index for
12 the year before the prior calendar year and the denominator of
13 which is the United States Consumer Price Index for 2023.

14 (B) "United States Consumer Price Index" means the annual
15 average of the United States Consumer Price Index for All Urban
16 Consumers as defined and reported by the United States Department
17 of Labor, Bureau of Labor Statistics, or its successor agency.

18 (C) ~~The person petitioning for a certificate or certificates~~
19 ~~of title under this section~~ **petitioner** is 1 of the following, in
20 the following order of priority:

21 (i) The surviving spouse of the watercraft owner.

22 (ii) A person entitled to the certificate or certificates of
23 title in the order specified in section 2103 of the estates and
24 protected individuals code, 1998 PA 386, MCL 700.2103.

25 (d) ~~The person who petitions for a certificate of title under~~
26 ~~this section~~ **petitioner** furnishes the secretary of state with proof
27 satisfactory to the secretary of state of ~~each~~ **all** of the
28 following:

29 (i) The death of the owner of each watercraft for which a

1 certificate of title is sought.

2 (ii) The petitioner's priority to receive the decedent's
3 interest in each watercraft for which a certificate of title is
4 sought.

5 (4) A certification by the person, or agent of the person, to
6 whom possession of the watercraft passed, that sets forth the facts
7 entitling that person to possession and ownership of the
8 watercraft, together with a copy of the journal entry, court order,
9 instrument, or other document upon which the claim of possession
10 and ownership is founded, are satisfactory proof of ownership and
11 right of possession. If the applicant cannot produce proof of
12 ownership, the applicant may apply to the secretary of state for a
13 certificate of title and submit evidence that establishes that
14 person's ownership interest in the watercraft. If the secretary of
15 state finds the evidence sufficient, the secretary of state may
16 issue to that person a certificate of title for that watercraft.
17 The office of secretary of state shall examine the records in its
18 possession and, if it determines from that examination that a lien
19 is on the watercraft, and if the applicant fails to provide
20 satisfactory evidence of extinction of the lien, the secretary of
21 state shall furnish a certificate of title that contains a
22 statement of the lien.

23 Enacting section 1. This amendatory act takes effect 90 days
24 after the date it is enacted into law.