

The Senate Committee on Finance offered the following substitute to HB 357:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 7 of Title 52 of the Official Code of Georgia Annotated, relating to
2 registration, operation, and sale of watercraft, so as to provide for the titling of certain
3 vessels; to provide for procedures with regard to titling such vessels; to provide for
4 legislative intent and findings; to provide a short title; to provide for related matters; to
5 provide an effective date; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

7 This Act shall be known and may be cited as the "Georgia Uniform Certificate of Title for
8 Vessels Act."
9

SECTION 2.

10 The General Assembly finds that:

- 11 (1) Titles for vessels in this state would deter and impede theft;
12 (2) Titles for vessels in this state would facilitate the ownership, transfer, and financing
13 of such vessels; and
14 (3) Titling of vessels would create equity and fairness for the selling of vessels by dealers,
15 brokers, agents, private parties, and manufacturers.
16

SECTION 3.

17 Chapter 7 of Title 52 of the Official Code of Georgia Annotated, relating to registration,
18 operation, and sale of watercraft, is amended by revising Code Section 52-7-4, relating to
19 requirement as to numbering of vessels, as follows:
20

21 "52-7-4.

22 (a) Every vessel using the waters of this state shall be numbered, except those vessels
23 exempted by Code Section 52-7-6 and those vessels documented by the United States
24 Coast Guard and licensed pursuant to Code Section 27-2-8. No person shall operate or
25 give permission for the operation of any such vessel on the waters of this state unless the
26 vessel is numbered in accordance with this article or in accordance with applicable federal
27 law or in accordance with a federally approved numbering system of another state and
28 unless:

29 (1) The certificate of number issued to the vessel is on board and in full force and effect;
30 and

31 (2) The identifying number set forth in the certificate of number is properly displayed
32 on each side of the forward half of the vessel; provided, however, that this requirement
33 shall not apply to numbered vessels which are documented by the United States Coast
34 Guard.

35 (b) Every vessel using the waters of this state shall be titled unless it is exempt from the
36 numbering requirements of paragraph (a) of this Code section or exempt under Code
37 Section 52-7-7. No person shall operate or give permission for the operation of any such
38 vessel on the waters of this state unless the vessel is titled in accordance with this article.
39 Every outboard motor greater than 25 horsepower used to propel a titled vessel shall be
40 included on the vessel title.

41 (c) Except as provided in subsection (e) of this Code section, at or before the time the
42 owner of record transfers an ownership interest in a hull damaged vessel that is covered by
43 a certificate of number created by the department, if the damage occurred while such
44 person was an owner of the vessel and the person has notice of the damage at the time of
45 the transfer, the owner shall:

46 (1) Deliver to the department an application for a new certificate of number and includes
47 the title brand designation 'Hull Damaged'; or

48 (2) Indicate on the certificate of title or on the bill of sale or other transfer document in
49 the place designated for such purpose that the vessel is hull damaged and deliver the
50 certificate or other transfer document to the transferee.

51 (d) Not later than 20 days after delivery to the department of the application under
52 paragraph (1) of subsection (c) of this Code section or the delivery to the transferee of the
53 certificate of title or bill of sale under paragraph (2) of subsection (c) of this Code section,
54 the department shall create a new record that indicates that the vessel is branded 'Hull
55 Damaged.'

56 (e) Before an insurer transfers an ownership interest in a hull damaged vessel that is
57 covered by a certificate of number created by the department, the insurer shall deliver to

58 the department an application for a new certificate and includes the title brand designation
 59 'Hull Damaged.' Not later than 20 days after delivery of the application to the department,
 60 the department shall create a new record that indicates that the vessel is branded 'Hull
 61 Damaged.'

62 (f) An owner of record that fails to comply with subsection (c) of this Code section, a
 63 person that solicits or colludes in a failure by an owner of record to comply with
 64 subsection (c) of this Code section, or an insurer that fails to comply with subsection (e)
 65 of this Code section is subject to a civil penalty of \$1,000.00.

66 (g) For the purposes of this Code section, 'hull damaged' means compromised with respect
 67 to the integrity of a vessel's hull by a collision, allision, lightning strike, fire, explosion,
 68 running aground, or similar occurrence or the sinking of a vessel in a manner that creates
 69 a significant risk to the integrity of the vessel's hull."

70 **SECTION 4.**

71 Said chapter is further amended by revising Code Section 52-7-5, relating to numbering of
 72 vessels, requirements, and fees, as follows:

73 "52-7-5.

74 (a) The owner of each vessel required to be numbered or titled by this article shall file an
 75 application for number or title with the department on forms containing such information
 76 required by the department. Upon receipt of the completed application and any other
 77 required information and documents, the department shall enter the application upon its
 78 records and issue to the applicant a certificate of number stating the number assigned to the
 79 vessel, the name and address of the owner, and such additional information as may be
 80 prescribed by the department. The department shall maintain electronic records of title and
 81 furnish a physical certificate of title to the owner or lienholder upon request.

82 (b)(1) The identification number assigned to all registered vessels, except those
 83 documented by the United States Coast Guard, shall be permanently painted or attached
 84 to each side of the forward half of the vessel, and no other number may be displayed
 85 thereon. Numbers shall read from left to right, be in block characters, be of a color
 86 contrasting with the background, and be not less than three inches in height nor more than
 87 one inch apart. There shall be a hyphen or space between the prefix letters and numerals
 88 and between the numerals and the suffix letters. The hyphen or space shall be equal to
 89 the width of any letter except I.

90 (2) On vessels so configured that a number on the hull or superstructure would not be
 91 easily visible, the number shall be painted on or attached to a backing plate that is
 92 attached to the forward half of the vessel so that the number will be clearly visible under
 93 normal operating conditions.

94 (3) The numbers shall be maintained in a legible condition.

95 (4) Vessels owned by manufacturers or dealers and being used as demonstrators or for
96 testing on state waters may use the dealer's tag supplied with his or her registration in lieu
97 of a permanently attached number. Such vessels owned by manufacturers and dealers
98 and only used as demonstrators or for testing using a dealer's tag shall not be required to
99 be titled.

100 (c) Expiration decals shall be assigned by the department to all registered vessels. Such
101 decals shall be displayed one on each side of the bow preceding the prefix letters and
102 maintained in legible condition. There shall be a hyphen or space separating each decal
103 and the prefix letters which shall be equal to the width of any letter except I.

104 (d) Applications shall be signed by the owner or owners of the vessel and shall be
105 accompanied by the proper fee. Fees for numbering vessels for a registration period of
106 three years shall be as follows:

- 107 (1) Vessels up to 16 feet in length \$ 25.00
- 108 (2) Vessels 16 to 26 feet in length 60.00
- 109 (3) Vessels 26 to 40 feet in length 130.00
- 110 (4) Vessels 40 feet in length or longer 200.00

111 (e)(1) Registration for vessels shall expire on the last day of the month of the owner's
112 birth in the last year of the registration period and shall thereafter be of no force or effect
113 unless renewed pursuant to this article; provided, however, that the registration for
114 vessels not owned by individuals shall expire on December 31 of the last year of the
115 registration period. Certificates of number may be renewed by the owner in the same
116 manner provided for in the initial securing of such certificates.

117 (2) Registrations may be renewed any time after October 1 prior to the year of
118 expiration. If the certificate of number is allowed to expire, a renewal application may
119 still be filed with the department so long as the applicant pays the registration fee
120 prescribed in subsection (d) of this Code section along with a \$10.00 late fee.

121 (3) Any application for registration or title which, due to failure of the applicant to
122 provide additional information required by the department, remains incomplete 60 days
123 after initial receipt of such application shall expire, and a new application and registration
124 or title fee shall be required.

125 (f) Should the ownership of a numbered or titled vessel change while a valid registration
126 or title is in effect, the new owner shall file with the department a new application and pay
127 the prescribed fee for a new registration or title. The number assigned upon transfer of
128 ownership shall be identical to the previous number unless such number has been
129 reassigned by the department during any expired registration or title period.

130 (g) In the event that an agency of the United States government shall have in force an
131 overall system of identification (numbering) for vessels within the United States, the
132 numbering system employed pursuant to this article by the department shall be in
133 conformity therewith. The provisions for titling employed pursuant to this article by the
134 department shall be in conformity for approval by the United States Coast Guard under the
135 provisions of 46 U.S.C. Section 31322(d)(1).

136 (h) The department may issue any certificate of number, expiration decal, marine toilet
137 certification, title, or other permit or accept applications for registration or titling provided
138 for in this chapter directly or may authorize any person to act as agent for the issuing or
139 collection and maintenance of information thereof. In the event that a person accepts such
140 authorization to issue certificates of title or number, he or she may be allotted a block of
141 numbers and certificates or provided direction and instruction therefor which, upon
142 assignment and issue in conformity with this article and with any rules and regulations of
143 the department, shall be valid as if assigned and issued directly by the department. Any
144 person acting as agent for the department may charge a fee for his or her services in an
145 amount approved by the department not to exceed \$10.00 per transaction.

146 (i) All records of the department made or kept pursuant to this Code section shall be public
147 records.

148 (j) The owner shall furnish the department notice of the transfer of all or of any part of his
149 or her interest, other than the creation of a security interest, in a vessel numbered or titled
150 in this state pursuant to this Code section, the theft or recovery of the vessel, or the
151 destruction or abandonment of the vessel within 15 days thereof, in a manner specified by
152 the department.

153 (k) Any holder of a certificate of number or title shall notify the department in writing
154 within 15 days if his or her address no longer conforms to the address appearing on the
155 certificate or title and shall, as a part of such notification, furnish the department with his
156 or her new address.

157 (l) No number other than the number validly assigned to a vessel shall be painted,
158 attached, or otherwise displayed on either side of the forward half of the vessel.

159 (m)(1) A certificate of number or title once issued pursuant to this Code section shall be
160 considered void upon the happening of any one of the following events:

161 (A) The owner transfers all his or her interest in said vessel to another person or
162 involuntarily loses his or her interest through legal process;

163 (B) The vessel is destroyed or abandoned;

164 (C) It is discovered by the department that the application submitted by the owner
165 contains false or fraudulent information;

166 (D) The fees for issuance are not paid by the applicant; or

- 167 (E) The state of principal use is changed.
- 168 (2) A void certificate or title shall be surrendered to the department within 15 days from
169 the date that it becomes or is declared to be void.
- 170 (n) The number placed on the forward half of the vessel by the owner shall be removed by
171 the owner if:
- 172 (1) The vessel is documented under the laws of the United States;
- 173 (2) The certificate ~~or~~ of number or title becomes invalid because it is determined that a
174 false or fraudulent statement was made in the application or the fees have not been paid;
175 or
- 176 (3) The vessel is no longer used in this state.
- 177 (o) The board shall be authorized to establish, by rule or regulation, a procedure to refund
178 fees collected pursuant to this chapter which were collected in error or overpayment or to
179 which the department or state is otherwise not entitled."

180 **SECTION 5.**

181 This Act shall become effective on January 1, 2019.

182 **SECTION 6.**

183 All laws and parts of laws in conflict with this Act are repealed.