

HOUSE BILL NO. 4419

April 13, 2023, Introduced by Reps. Breen, Filler, Paiz and Scott and referred to the Committee on Judiciary.

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:

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

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

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

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

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

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

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

17 (c) Present to the secretary of state an application for
 18 certificate of title.

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

23 (a) The record owner of the registered watercraft dies without
 24 leaving other property that requires the procurement of letters
 25 under the estates and protected individuals code, 1998 PA 386, MCL
 26 700.1101 to ~~700.8102~~**700.8206**.

27 (b) The total value of the deceased owner's interest, **based on**
 28 **the calendar year of the deceased owner's death**, in all watercraft
 29 subject to the petition for a certificate or certificates of title

1 under this section ~~is \$100,000.00 or less.~~ **does not exceed the**
2 **following dollar amount, as applicable:**

3 (i) **For the calendar years beginning January 1, 2023 and**
4 **January 1, 2024, \$300,000.00.**

5 (ii) **For the calendar year beginning January 1, 2025, and each**
6 **calendar year thereafter, a dollar amount equal to the product of**
7 **the dollar amount applicable for the immediately preceding calendar**
8 **year multiplied by the cost-of-living adjustment factor, rounded to**
9 **the nearest \$1,000.00. Beginning with the dollar amount in effect**
10 **on January 1, 2025, and annually thereafter, the department of**
11 **treasury shall certify and publish the adjusted dollar amount**
12 **applicable for each calendar year no later than December 1 of the**
13 **prior calendar year. As used in this subparagraph:**

14 (A) **"Cost-of-living adjustment factor" means a fraction, the**
15 **numerator of which is the United States Consumer Price Index for**
16 **the year before the prior calendar year and the denominator of**
17 **which is the United States Consumer Price Index for 2021.**

18 (B) **"United States Consumer Price Index" means the annual**
19 **average of the United States Consumer Price Index for All Urban**
20 **Consumers as defined and reported by the United States Department**
21 **of Labor, Bureau of Labor Statistics, or its successor agency.**

22 (c) ~~The person petitioning for a certificate or certificates~~
23 ~~of title under this section~~ **petitioner** is 1 of the following, in
24 the following order of priority:

25 (i) **The surviving spouse of the watercraft owner.**

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

29 (d) ~~The person who petitions for a certificate of title under~~

1 ~~this section~~ **petitioner** furnishes the secretary of state with proof
2 satisfactory to the secretary of state of ~~each~~ **all** of the
3 following:

4 (i) The death of the owner of each watercraft for which a
5 certificate of title is sought.

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

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

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