

SENATE BILL NO. 139

March 12, 2025, Introduced by Senators KLINEFELT, GEISS, MOSS, BAYER, WOJNO, CHANG, CAVANAGH, MCCANN, MCMORROW and SHINK and referred to Committee on Transportation and Infrastructure.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 80304 and 81105 (MCL 324.80304 and 324.81105), section 80304 as amended by 2018 PA 678 and section 81105 as amended by 2018 PA 519.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 80304. (1) Subject to section 80320(4), and except as
2 provided in section 80306, a person shall not sell or otherwise
3 dispose of a watercraft without delivering to the purchaser or
4 transferee of the watercraft a certificate of title with such

1 assignment on the certificate of title as is necessary to show
2 title in the purchaser.

3 (2) Subject to 80320(4), a person shall not purchase or
4 otherwise acquire a watercraft without obtaining a certificate of
5 title for it in the person's name pursuant to this part.

6 (3) **Notwithstanding any other provision of this part, the**
7 **secretary of state may establish, implement, and operate an**
8 **electronic system to process the notification and transfer of a**
9 **watercraft ownership interest between parties, if none of the**
10 **parties is a dealer, through an electronic transfer. If the**
11 **electronic system is established, a private party that uses the**
12 **electronic system shall comply with any requirement of this section**
13 **that the department determines is necessary and provide any**
14 **information that is required by the department. The department may**
15 **enter into 1 or more contracts to establish, implement, and operate**
16 **the electronic system under this subsection. The contract must**
17 **require the protection of proprietary information contained in the**
18 **electronic system and other information as protected under this**
19 **act.**

20 Sec. 81105. (1) Subject to subsection (2), after an ORV has
21 been titled under this part, both of the following apply:

22 (a) The owner, except as provided in section 81104, shall not
23 sell or otherwise assign ownership in the ORV without delivering to
24 the transferee a certificate of title showing assignment of the ORV
25 in the transferee's name.

26 (b) A person shall not purchase or otherwise acquire an ORV
27 without obtaining a certificate of title to it in the person's name
28 pursuant to either this part or the code.

29 (2) As provided under section 81109(5), the department of

1 state is not required to issue a certificate of title to the owner
2 of an ORV if the title is subject to a security interest.

3 (3) Notwithstanding any other provision of this part, the
4 department of state may establish, implement, and operate an
5 electronic system to process the notification and transfer of an
6 ORV ownership interest between parties, if none of the parties is a
7 dealer, through an electronic transfer. If the electronic system is
8 established, a private party that uses the electronic system shall
9 comply with any requirement of this section that the department
10 determines is necessary and provide any information that is
11 required by the department. The department may enter into 1 or more
12 contracts to establish, implement, and operate the electronic
13 system under this subsection. The contract must require the
14 protection of proprietary information contained in the electronic
15 system and other information as protected under this act.