

SENATE BILL NO. 257

Introduced: 01/22/83

Referred to Committee on Fish & Game: 01/22/83

Hearing: 2/3/83

Report: 02/05/83, Do Pass

2nd Reading: 02/08/83, Do Pass

2nd Reading: 2/8/83, Be Indefinitely Postponed
Bill Killed.

1 *Senate* BILL NO. *257*
 2 INTRODUCED BY *Richard E. Manning* *Sen. Stenard*
 3 *Montana Treas. Lee* *County Health*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE ISSUANCE
 5 OF A CERTIFICATE OF OWNERSHIP FOR CERTAIN WATERCRAFT AND
 6 CHANGING THE EXPIRATION DATE OF A CERTIFICATE OF NUMBER TO
 7 DECEMBER 31 OF EACH YEAR; AMENDING SECTIONS 23-2-502,
 8 23-2-512, 23-2-513, AND 23-2-515, MCA; AND PROVIDING A
 9 DELAYED EFFECTIVE DATE."

10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 23-2-502, MCA, is amended to read:

13 "23-2-502. Definitions. As used in this part, unless
 14 the context clearly requires a different meaning, the
 15 following definitions apply:

16 (1) "Certificate of number" means the certificate
 17 issued annually by the county treasurer to the owner of a
 18 motorboat or by the division of motor vehicles to dealers or
 19 manufacturers, assigning such motorboat an identifying
 20 number and containing such information as required.

21 (2) "Certificate of ownership" means the document
 22 issued by the division of motor vehicles as prima facie
 23 evidence of ownership.

24 (3) "Department" means the department of fish,
 25 wildlife, and parks of the state of Montana.

1 (4) "Documented vessel" means a vessel which has
 2 and is required to have a valid marine document as a vessel
 3 of the United States.

4 (5) "Identifying number" means the boat number set
 5 forth in the certificate of number and properly displayed on
 6 the motorboat.

7 (6) "License decals" means the serially numbered
 8 license stickers issued annually by the county treasurer and
 9 displayed as required by law.

10 (7) "Motorboat" means any vessel propelled by any
 11 machinery, motor, or engine of any description, whether or
 12 not such machinery, motor, or engine is the principal source
 13 of propulsion. The term includes boats temporarily equipped
 14 with detachable motors or engines but does not include a
 15 vessel which has a valid marine document issued by the U.S.
 16 coast guard of the United States government or any federal
 17 agency successor thereto.

18 (8) "Operate" means to navigate or otherwise use a
 19 motorboat or a vessel.

20 (9) "Operator" means the person who navigates,
 21 drives, or is otherwise in immediate control of a motorboat
 22 or vessel.

23 (10) "Owner" means a person, other than a lien
 24 holder, having the property in or title to a motorboat or
 25 vessel. The term includes a person entitled to the use or

possession of a motorboat or vessel subject to an interest in another person, reserved or created by an agreement securing payment or performance of an obligation, but the term excludes a lessee under a lease not intended as security.

~~(10)~~(11) "Passenger" means every person carried on board a vessel other than:

(a) the owner or his representative;

(b) the operator;

(c) bona fide members of the crew engaged in the business of the vessel who have contributed no consideration for their carriage and who are paid for their services; or

(d) any guest on board a vessel which is being used exclusively for pleasure purposes who has not contributed any consideration, directly or indirectly, for his carriage.

~~(11)~~(12) "Person" means an individual, partnership, firm, corporation, association, or other entity.

~~(12)~~(13) "Uniform state waterway marking system" means one of two categories:

(a) a system of aids to navigation to supplement the federal system of marking in state waters;

(b) a system of regulatory markers to warn a vessel operator of dangers or to provide general information and directions.

~~(13)~~(14) "Vessel" means every description of

watercraft, unless otherwise defined by the department, other than a seaplane on the water, used or capable of being used as a means of transportation on water.

~~(14)~~(15) "Waters of this state" means any waters within the territorial limits of this state."

NEW SECTION. Section 2. Certificate of ownership. (1) No vessel, excluding a canoe, a kayak, or any other vessel not defined as a "motorboat" in 23-2-502, may be operated on the waters of this state unless a certificate of ownership is obtained from the division of motor vehicles.

(2) The owner of a vessel subject to the provisions of subsection (1) shall apply, on forms prepared and furnished by the division, for a certificate of ownership with the county treasurer of the county in which the owner resides.

(3) The application must be signed by at least one owner or by a properly authorized officer or representative of the owner.

(4) If a certificate of ownership has previously been issued for a vessel, the application for a new certificate must be accompanied by the immediately previous certificate. This subsection does not apply to a vessel subject to the provisions of subsection (1) which is purchased as a new and unused vessel or which was operated before January 1, 1984.

(5) Upon receipt of the completed application, the county treasurer shall forward the original application to

the division, which must enter the information contained in the application upon the corresponding records of its office and furnish to the applicant a certificate of ownership, containing information from the application considered necessary by the division, and a permanent ownership number. The certificate of ownership is valid without renewal as long as the person holding it owns the vessel.

(6) If an instrument documenting a security interest in a vessel required by this title to have a certificate of ownership has been filed with a county clerk and recorder prior to January 1, 1984, refiling of the security interest instrument with the division is not required.

(7) The owner shall at all times retain possession of the certificate of ownership, except when it is being transmitted to and from the division for endorsement or cancellation.

(8) The applicant for a certificate of ownership shall pay to the county treasurer a fee of \$3, \$2 of which must be forwarded by the county treasurer to the division of motor vehicles and deposited in the motor vehicle recording account of the earmarked revenue fund.

(9) No provision in this section prohibits an owner of a vessel not defined as a motorboat in 23-2-502 from applying for and receiving a certificate of ownership under subsections (1) through (8).

NEW SECTION. Section 3. Transfer of interest. (1) except as provided in subsection (3), upon transfer of any certificate of ownership required by [section 2] the person whose title or interest is to be transferred shall sign the certificate of ownership issued for the vessel. This signature must be acknowledged before a notary public.

(2) Within 20 calendar days thereafter, the transferee shall apply for transfer of the endorsed certificate of ownership with the county treasurer of the county in which the transferee resides. In the case of a motorboat, the transferee shall also apply for registration pursuant to 23-2-512. The county treasurer shall forward the application to the division of motor vehicles, which shall file it upon receipt. No certificate of ownership may be issued by the division until the outstanding certificate is surrendered to that office or its loss is established. The county treasurer shall collect a fee of \$3 for each application for transfer of ownership, \$2 of which must be forwarded to the division of motor vehicles for deposit in the motor vehicle recording account of the earmarked revenue fund.

(3) A purchaser of a new or used vessel subject to the provisions of [section 2] from a dealer has a grace period of 20 calendar days from the date of purchase to apply for a certificate of ownership and to register the vessel if a motorboat. It is not a violation for the purchaser to

1 operate a newly acquired vessel without a certificate of
2 ownership or certificate of registration during the 20-day
3 period. During this period, the sticker provided for in
4 subsection (4) must remain affixed to the vessel.

5 (4) Before delivery of a vessel subject to the
6 provisions of [section 2] to the purchaser, the dealer shall
7 issue and affix to the vessel a sticker in a form to be
8 prescribed by the division of motor vehicles. The sticker
9 must contain the name and address of the purchaser, the date
10 of sale, the name and address of the dealer, and a
11 description of the vessel, including its serial number. The
12 dealer shall keep a copy of the sticker for his records and
13 shall send a copy of the sticker to the county treasurer.

14 (5) The provisions of subsection (2) do not apply to
15 the transfer of a vessel to a dealer who intends to resell
16 the vessel and operates it only for demonstration purposes,
17 but the dealer, upon transferring the interest, shall
18 deliver the certificate of ownership with an application for
19 a new certificate executed by the new owner. The division,
20 upon receipt of the certificate of ownership and application
21 for a new certificate, together with the conditional sales
22 contract or other lien, if any, shall issue a new
23 certificate of ownership, together with a statement of any
24 conditional sales contract, mortgage, or other lien.

25 NEW SECTION. Section 4. Lost or mutilated

1 certificates. If a certificate of ownership is lost or
2 mutilated or becomes illegible, the person to whom it was
3 issued may immediately apply for and obtain a duplicate,
4 upon payment of a fee of \$2 to the division of motor
5 vehicles.

6 Section 5. Section 23-2-512, MCA, is amended to read:
7 "23-2-512. Identification number. (1) The owner of
8 each motorboat requiring numbering by this state shall file
9 an application for number in the office of the county
10 treasurer where the motorboat is owned or taxable on forms
11 prepared and furnished by the division of motor vehicles.
12 The application must be signed by the owner of the motorboat
13 and be accompanied by a fee of \$1. Any alteration, change,
14 or false statement contained in the application will render
15 the certificate of number void. Upon receipt of the
16 application in approved form, the county treasurer shall
17 issue to the applicant a certificate of number prepared and
18 furnished by the division of motor vehicles, stating the
19 number assigned to the motorboat and the name and address of
20 the owner.

21 (2) Before filing the application with the county
22 treasurer, the applicant shall submit it to the county
23 assessor, who shall enter on the application, in a space to
24 be provided for that purpose, the market value and taxable
25 value of the motorboat for the year for which the

1 application for registration is made.

2 (3) The applicant, upon the filing of the application,
3 shall pay to the county treasurer the registration fee and
4 the personal property taxes assessed against the motorboat
5 or vessel for the current year of registration before the
6 application for registration or reregistration may be
7 accepted by the county treasurer.

8 (4) Should the ownership of a motorboat change, a new
9 application form with fee must be filed within a reasonable
10 time with the county treasurer and a new certificate of
11 number assigned in the same manner as provided for in an
12 original assignment of number.

13 (5) If an agency of the United States government has
14 in force a comprehensive system of identification numbering
15 for motorboats in the United States, the numbering system
16 employed pursuant to this part by the division of motor
17 vehicles must be in conformity.

18 (6) Every certificate of number and the license decals
19 assigned under this part ~~continues~~ continue in effect for a
20 period not to exceed 1 year unless terminated or
21 discontinued in accordance with the provisions of this part.
22 Certificates of number and license decals must show the date
23 of expiration and may be renewed by the owner in the same
24 manner provided for in the initial securing of the
25 certificate.

1 (7) Certificates of number issued before January 1,
2 1984, expire on April 30, 1984, and those issued on or after
3 January 1, 1984, expire on December 31 of each the year for
4 which issued and may not be in effect unless renewed under
5 this part.

6 (8) In event of transfer of ownership, the purchaser
7 shall furnish the county treasurer notice within a
8 reasonable time of the acquisition of all or any part of his
9 interest, other than the creation of a security interest, in
10 a motorboat numbered in this state or of the loss, theft,
11 destruction, or abandonment of the motorboat. The transfer,
12 loss, theft, destruction, or abandonment terminates the
13 certificate of number for the motorboat. Recovery from theft
14 or transfer of a part interest that does not affect the
15 owner's right to operate the motorboat does not terminate
16 the certificate of number.

17 (9) A holder of a certificate of number shall notify
18 the county treasurer within reasonable time if his address
19 no longer conforms to the address appearing on the
20 certificate and furnish the county treasurer with his new
21 address. The division of motor vehicles may provide by rule
22 for the surrender of the certificate bearing the former
23 address and its replacement with a certificate bearing the
24 new address or the alteration of an outstanding certificate
25 to show the new address of the holder.

1 (10) (a) The number assigned must be painted on or
 2 attached to each outboard side of the forward half of the
 3 motorboat or, if there are no such sides, at a corresponding
 4 location on both outboard sides of the foredeck of the
 5 motorboat. The number assigned must read from left to right
 6 in Arabic numerals and block characters of good proportion
 7 at least 3 inches tall excluding border or trim of a color
 8 that contrasts with the color of the background and be so
 9 maintained as to be clearly visible and legible. The number
 10 may not be placed on the obscured underside of the flared
 11 bow where it cannot be easily seen from another vessel or
 12 ashore. No numerals, letters, or devices other than those
 13 used in connection with the identifying number issued may be
 14 placed in the proximity of the identifying number. No
 15 numerals, letters, or devices that might interfere with the
 16 ready identification of the motorboat by its identifying
 17 number may be carried as to interfere with the motorboat's
 18 identification. No number other than the number and license
 19 decal assigned to a motorboat or granted reciprocity under
 20 this part may be painted, attached, or otherwise displayed
 21 on either side of the forward half of the motorboat.

22 (b) The certificate of number ~~shall~~ must be pocket
 23 size and available to federal, state, or local law
 24 enforcement officers at all reasonable times for inspection
 25 on the motorboat whenever the motorboat is on waters of this

1 state.

2 (c) Boat liveries are not required to have the
 3 certificate of number on board each motorboat, but a rental
 4 agreement must be carried on board livery motorboats in
 5 place of the certificate of number.

6 (11) Fees collected under this section ~~shall~~ must be
 7 transmitted to the state treasurer, who shall deposit the
 8 fees in the motorboat certificate identification account of
 9 an earmarked revenue fund. These fees ~~shall~~ must be used
 10 only for the administration and enforcement of this part, as
 11 amended.

12 (12) An owner of a motorboat ~~must~~ shall within a
 13 reasonable time notify the division of motor vehicles,
 14 giving the motorboat's identifying number and the owner's
 15 name, when that motorboat becomes documented as a vessel of
 16 the United States or is transferred, lost, destroyed,
 17 abandoned, or frauded or within 60 days after change of
 18 state of principal use."

19 Section 6. Section 23-2-513, MCA, is amended to read:

20 "23-2-513. Dealer's identification number. (1) A
 21 dealer or manufacturer may apply directly to the division of
 22 motor vehicles for one identifying number and one or more
 23 certificates of number. A dealer's or manufacturer's
 24 identifying number shall be displayed on his boat while the
 25 boat is operating for a purpose related to the buying,

1 selling, or exchanging of the boat by the dealer or
2 manufacturer.

3 (2) The application for a dealer's or manufacturer's
4 identifying number must include his name and business
5 address. Each dealer or manufacturer will have one
6 identifying number assigned to his business.

7 (3) An application for dealer's or manufacturer's
8 identifying number and certificate of number must be
9 accompanied by the following fees:

10 (a) for the identifying number, first certificate of
11 number, and set of license decals, \$5;

12 (b) for each additional certificate of number and set
13 of license decals applied for in any application, \$2.

14 (4) The division of motor vehicles shall issue
15 certificates of number for the identifying numbers assigned
16 to a dealer or manufacturer in the same manner as provided
17 in 23-2-512(1) and (10), as amended, except that no boat may
18 be described in the certificate and each certificate must
19 state that the identifying number has been assigned to a
20 dealer or manufacturer. A dealer's or manufacturer's
21 certificate of number issued before January 1, 1984, expires
22 on April 30, 1984, and one issued on or after January 1,
23 1984, expires on December 31 of the year for which it is
24 issued.

25 (5) A dealer's or manufacturer's identifying number

1 shall be displayed in the same manner as provided in
2 23-2-512(10), as amended, except that the number may be
3 temporarily attached. The last three letters shall be "DLR"
4 for dealer and "MFR" for manufacturer. These letters shall
5 be included, respectively, in dealer or manufacturer
6 identification numbers only.

7 (6) No person other than a dealer or manufacturer or
8 an employee of a dealer or manufacturer may display or use a
9 dealer's or manufacturer's identifying number. A dealer's or
10 manufacturer's identifying number may be displayed only on
11 motorboats owned by the dealer or manufacturer.

12 (7) No dealer or manufacturer or employee of a dealer
13 or manufacturer may use a dealer's or manufacturer's
14 identifying number for any purpose other than the purpose
15 described in subsection (1) of this section."

16 Section 7. Section 23-2-515, MCA, is amended to read:

17 "23-2-515. License decals to be displayed. (1) Every
18 Montana boat numbered in accordance with the provisions of
19 23-2-512 and 23-2-513 shall be required to display license
20 decals. For this purpose the county treasurer, upon receipt
21 of a certificate of tax of personal property showing payment
22 of tax on the motorboat for the current year, shall issue a
23 pair of decals prepared and furnished by the division of
24 motor vehicles with all new certificates of number and
25 renewals thereof.

1 (2) The decals shall be of a style and design
2 prescribed by the division of motor vehicles and shall be a
3 color differing from the preceding year. The license decal
4 will be serially numbered and have the expiration date of
5 ~~April--30~~ December 31 of the appropriate year printed
6 thereon.

7 (3) License decals shall be displayed only in the
8 following manner: one valid license decal on each side of
9 the forward half, 3 inches aft of the identifying numbers."

10 NEW SECTION. Section 8. Codification instruction.
11 Sections 2 through 4 are intended to be codified as an
12 integral part of Title 23, chapter 2, part 5, and the
13 provisions of Title 23, chapter 2, apply to sections 2
14 through 4.

15 NEW SECTION. Section 9. Effective date. This act is
16 effective January 1, 1984.

-End-

STATE OF MONTANA

REQUEST NO. 233-83

FISCAL NOTE

Form BD-15

In compliance with a written request received January 25, 19 83, there is hereby submitted a Fiscal Note for Senate Bill 257 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:


Senate Bill 257 requires the issuance of a certificate of ownership for certain watercraft and a change in the expiration date of certificates.

ASSUMPTIONS:

- 1) Boat registrations remain at 30,369 level.
- 2) The \$1 indicated in New Section Section 2 will be deposited in the departments earmarked account.
- 3) There will be approximately 6,000 titles transferred or new titles issued each year.

FISCAL IMPACT:

	<u>FY 84</u>	<u>FY 85</u>	<u>Biennium Total</u>
Revenue For Certificates Of Ownership:			
Under Current Law	\$ -0-	\$ -0-	-0-
Under Proposed Law	60,738	60,738	121,476
Increased Revenue	<u>\$60,738</u>	<u>\$60,738</u>	<u>\$121,476</u>
Revenue For Transfers:			
Under Current Law	\$ -0-	\$ -0-	0
Under Proposed Law	12,000	12,000	24,000
Increased Revenue	<u>\$12,000</u>	<u>\$12,000</u>	<u>\$24,000</u>
Total Revenue:	<u>\$72,738</u>	<u>\$72,738</u>	<u>\$145,476</u>

Continued

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-31-83

Expenditures:

Personal Services:

5 FTE's for FY 84	\$58,000		
1 FTE for FY 85		\$12,000	\$70,000

Operating Expense:

Printing of Forms	10,000	1,200	11,200
Postage	6,300	1,200	7,500
Data Processing	12,000	2,000	14,000
Microfilm	600	100	700
Total Operating Expense	<u>\$28,900</u>	<u>\$ 4,500</u>	<u>\$33,400</u>

TOTAL PROGRAM COST:	<u>\$86,900</u>	<u>\$16,500</u>	<u>\$103,400</u>
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LOCAL IMPACT:

Counties will receive additional revenue estimated at \$36,369 per year at \$1.00 per certificate and title.

Registered Motorboats	\$ 30,369
Teamsters	<u>6,000</u>
Additional County Revenue	<u>\$ 36,369</u>

TECHNICAL NOTES:

New Section - Section 2. Paragraph (8) line 17-21 fails to indicate disposition of \$1 of the \$3 paid to the county treasurer. Only \$2 is mentioned which is forwarded to the Division of Motor Vehicles. This same situation occurs in New Section Section 3 lines 16-20.

COMMENTS:

The Motor Vehicle Division will have to search their records to ascertain any conflict of ownership. Applications will have to be certified for accuracy and completeness. Letters will have to be written to correct errors. Information must then be entered on the computer file and records must be microfilmed.

STATE OF MONTANA

REQUEST NO. 233-83

FISCAL NOTE

Revised Fiscal Note

Form BD-15

In compliance with a written request received January 25, 19 83, there is hereby submitted a Fiscal Note for Senate Bill 257 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

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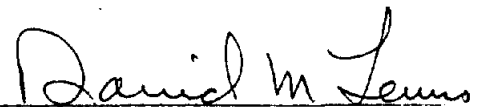
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Under Proposed Law	60,738	-0-
Increased Revenue	<u>\$60,738</u>	<u>\$ -0-</u>
Revenue For Transfers:		
Under Current Law	\$ -0-	\$ -0-
Under Proposed Law	-0-	12,000
Increased Revenue	<u>\$ -0-</u>	<u>\$12,000</u>
Total Revenue:	<u>\$60,738</u>	<u>\$12,000</u>

Continued

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-8-83

Expenditures:

Personal Services:

5 FTE's for FY 84	\$58,000	
1 FTE for FY 85		\$12,000

Operating Expense:

Printing of Forms	10,000	1,200
Postage	6,300	1,200
Data Processing	12,000	2,000
Microfilm	600	100
Total Operating Expense	<u>\$28,900</u>	<u>\$ 4,500</u>

TOTAL PROGRAM COST:	<u>\$86,900</u>	<u>\$16,500</u>
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FISCAL NOTE 9:H/2

Approved by Comm.
on Fish and Game

1 *Senate* BILL NO. *257*
2 INTRODUCED BY *Richard E. Manning* *Sen. Stenard*
3 *Carlton T. Tveit* *Sen. Lee* *Keith H. Hinkle*
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE ISSUANCE
5 OF A CERTIFICATE OF OWNERSHIP FOR CERTAIN WATERCRAFT AND
6 CHANGING THE EXPIRATION DATE OF A CERTIFICATE OF NUMBER TO
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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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19 manufacturers, assigning such motorboat an identifying
20 number and containing such information as required.

21 (2) "Certificate of ownership" means the document
22 issued by the division of motor vehicles as prima facie
23 evidence of ownership.

24 (2)(3) "Department" means the department of fish,
25 wildlife, and parks of the state of Montana.

1 (3)(4) "Documented vessel" means a vessel which has
2 and is required to have a valid marine document as a vessel
3 of the United States.

4 (4)(5) "Identifying number" means the boat number set
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6 the motorboat.

7 (5)(6) "License decals" means the serially numbered
8 license stickers issued annually by the county treasurer and
9 displayed as required by law.

10 (6)(7) "Motorboat" means any vessel propelled by any
11 machinery, motor, or engine of any description, whether or
12 not such machinery, motor, or engine is the principal source
13 of propulsion. The term includes boats temporarily equipped
14 with detachable motors or engines but does not include a
15 vessel which has a valid marine document issued by the U.S.
16 coast guard of the United States government or any federal
17 agency successor thereto.

18 (7)(8) "Operate" means to navigate or otherwise use a
19 motorboat or a vessel.

20 (8)(9) "Operator" means the person who navigates,
21 drives, or is otherwise in immediate control of a motorboat
22 or vessel.

23 (9)(10) "Owner" means a person, other than a lien
24 holder, having the property in or title to a motorboat or
25 vessel. The term includes a person entitled to the use or

possession of a motorboat or vessel subject to an interest in another person, reserved or created by an agreement securing payment or performance of an obligation, but the term excludes a lessee under a lease not intended as security.

~~(10)~~(11) "Passenger" means every person carried on board a vessel other than:

(a) the owner or his representative;

(b) the operator;

(c) bona fide members of the crew engaged in the business of the vessel who have contributed no consideration for their carriage and who are paid for their services; or

(d) any guest on board a vessel which is being used exclusively for pleasure purposes who has not contributed any consideration, directly or indirectly, for his carriage.

~~(11)~~(12) "Person" means an individual, partnership, firm, corporation, association, or other entity.

~~(12)~~(13) "Uniform state waterway marking system" means one of two categories:

(a) a system of aids to navigation to supplement the federal system of marking in state waters;

(b) a system of regulatory markers to warn a vessel operator of dangers or to provide general information and directions.

~~(13)~~(14) "Vessel" means every description of

watercraft, unless otherwise defined by the department, other than a seaplane on the water, used or capable of being used as a means of transportation on water.

~~(14)~~(15) "Waters of this state" means any waters within the territorial limits of this state."

NEW SECTION. Section 2. Certificate of ownership. (1)

No vessel, excluding a canoe, a kayak, or any other vessel not defined as a "motorboat" in 23-2-502, may be operated on the waters of this state unless a certificate of ownership is obtained from the division of motor vehicles.

(2) The owner of a vessel subject to the provisions of subsection (1) shall apply, on forms prepared and furnished by the division, for a certificate of ownership with the county treasurer of the county in which the owner resides.

(3) The application must be signed by at least one owner or by a properly authorized officer or representative of the owner.

(4) If a certificate of ownership has previously been issued for a vessel, the application for a new certificate must be accompanied by the immediately previous certificate. This subsection does not apply to a vessel subject to the provisions of subsection (1) which is purchased as a new and unused vessel or which was operated before January 1, 1984.

(5) Upon receipt of the completed application, the county treasurer shall forward the original application to

1 the division, which must enter the information contained in
 2 the application upon the corresponding records of its office
 3 and furnish to the applicant a certificate of ownership,
 4 containing information from the application considered
 5 necessary by the division, and a permanent ownership number.
 6 The certificate of ownership is valid without renewal as
 7 long as the person holding it owns the vessel.

8 (6) If an instrument documenting a security interest
 9 in a vessel required by this title to have a certificate of
 10 ownership has been filed with a county clerk and recorder
 11 prior to January 1, 1984, refiling of the security interest
 12 instrument with the division is not required.

13 (7) The owner shall at all times retain possession of
 14 the certificate of ownership, except when it is being
 15 transmitted to and from the division for endorsement or
 16 cancellation.

17 (8) The applicant for a certificate of ownership shall
 18 pay to the county treasurer a fee of \$3, \$2 of which must be
 19 forwarded by the county treasurer to the division of motor
 20 vehicles and deposited in the motor vehicle recording
 21 account of the earmarked revenue fund.

22 (9) No provision in this section prohibits an owner of
 23 a vessel not defined as a motorboat in 23-2-502 from
 24 applying for and receiving a certificate of ownership under
 25 subsections (1) through (8).

1 NEW SECTION. Section 3. Transfer of interest. (1)
 2 Except as provided in subsection (3), upon transfer of any
 3 certificate of ownership required by [section 2] the person
 4 whose title or interest is to be transferred shall sign the
 5 certificate of ownership issued for the vessel. This
 6 signature must be acknowledged before a notary public.

7 (2) Within 20 calendar days thereafter, the transferee
 8 shall apply for transfer of the endorsed certificate of
 9 ownership with the county treasurer of the county in which
 10 the transferee resides. In the case of a motorboat, the
 11 transferee shall also apply for registration pursuant to
 12 23-2-512. The county treasurer shall forward the application
 13 to the division of motor vehicles, which shall file it upon
 14 receipt. No certificate of ownership may be issued by the
 15 division until the outstanding certificate is surrendered to
 16 that office or its loss is established. The county treasurer
 17 shall collect a fee of \$3 for each application for transfer
 18 of ownership, \$2 of which must be forwarded to the division
 19 of motor vehicles for deposit in the motor vehicle recording
 20 account of the earmarked revenue fund.

21 (3) A purchaser of a new or used vessel subject to the
 22 provisions of [section 2] from a dealer has a grace period
 23 of 20 calendar days from the date of purchase to apply for a
 24 certificate of ownership and to register the vessel if a
 25 motorboat. It is not a violation for the purchaser to

1 operate a newly acquired vessel without a certificate of
2 ownership or certificate of registration during the 20-day
3 period. During this period, the sticker provided for in
4 subsection (4) must remain affixed to the vessel.

5 (4) Before delivery of a vessel subject to the
6 provisions of [section 2] to the purchaser, the dealer shall
7 issue and affix to the vessel a sticker in a form to be
8 prescribed by the division of motor vehicles. The sticker
9 must contain the name and address of the purchaser, the date
10 of sale, the name and address of the dealer, and a
11 description of the vessel, including its serial number. The
12 dealer shall keep a copy of the sticker for his records and
13 shall send a copy of the sticker to the county treasurer.

14 (5) The provisions of subsection (2) do not apply to
15 the transfer of a vessel to a dealer who intends to resell
16 the vessel and operates it only for demonstration purposes,
17 but the dealer, upon transferring the interest, shall
18 deliver the certificate of ownership with an application for
19 a new certificate executed by the new owner. The division,
20 upon receipt of the certificate of ownership and application
21 for a new certificate, together with the conditional sales
22 contract or other lien, if any, shall issue a new
23 certificate of ownership, together with a statement of any
24 conditional sales contract, mortgage, or other lien.

25 NEW SECTION. Section 4. Lost or mutilated

1 certificates. If a certificate of ownership is lost or
2 mutilated or becomes illegible, the person to whom it was
3 issued may immediately apply for and obtain a duplicate,
4 upon payment of a fee of \$2 to the division of motor
5 vehicles.

6 Section 5. Section 23-2-512, MCA, is amended to read:
7 "23-2-512. Identification number. (1) The owner of
8 each motorboat requiring numbering by this state shall file
9 an application for number in the office of the county
10 treasurer where the motorboat is owned or taxable on forms
11 prepared and furnished by the division of motor vehicles.
12 The application must be signed by the owner of the motorboat
13 and be accompanied by a fee of \$1. Any alteration, change,
14 or false statement contained in the application will render
15 the certificate of number void. Upon receipt of the
16 application in approved form, the county treasurer shall
17 issue to the applicant a certificate of number prepared and
18 furnished by the division of motor vehicles, stating the
19 number assigned to the motorboat and the name and address of
20 the owner.

21 (2) Before filing the application with the county
22 treasurer, the applicant shall submit it to the county
23 assessor, who shall enter on the application, in a space to
24 be provided for that purpose, the market value and taxable
25 value of the motorboat for the year for which the

1 application for registration is made.

2 (3) The applicant, upon the filing of the application,
3 shall pay to the county treasurer the registration fee and
4 the personal property taxes assessed against the motorboat
5 or vessel for the current year of registration before the
6 application for registration or reregistration may be
7 accepted by the county treasurer.

8 (4) Should the ownership of a motorboat change, a new
9 application form with fee must be filed within a reasonable
10 time with the county treasurer and a new certificate of
11 number assigned in the same manner as provided for in an
12 original assignment of number.

13 (5) If an agency of the United States government has
14 in force a comprehensive system of identification numbering
15 for motorboats in the United States, the numbering system
16 employed pursuant to this part by the division of motor
17 vehicles must be in conformity.

18 (6) Every certificate of number and the license decals
19 assigned under this part ~~continues~~ continue in effect for a
20 period not to exceed 1 year unless terminated or
21 discontinued in accordance with the provisions of this part.
22 Certificates of number and license decals must show the date
23 of expiration and may be renewed by the owner in the same
24 manner provided for in the initial securing of the
25 certificate.

1 (7) Certificates of number issued before January 1,
2 1984, expire on April 30, 1984, and those issued on or after
3 January 1, 1984, expire on December 31 of each the year for
4 which issued and may not be in effect unless renewed under
5 this part.

6 (8) In event of transfer of ownership, the purchaser
7 shall furnish the county treasurer notice within a
8 reasonable time of the acquisition of all or any part of his
9 interest, other than the creation of a security interest, in
10 a motorboat numbered in this state or of the loss, theft,
11 destruction, or abandonment of the motorboat. The transfer,
12 loss, theft, destruction, or abandonment terminates the
13 certificate of number for the motorboat. Recovery from theft
14 or transfer of a part interest that does not affect the
15 owner's right to operate the motorboat does not terminate
16 the certificate of number.

17 (9) A holder of a certificate of number shall notify
18 the county treasurer within reasonable time if his address
19 no longer conforms to the address appearing on the
20 certificate and furnish the county treasurer with his new
21 address. The division of motor vehicles may provide by rule
22 for the surrender of the certificate bearing the former
23 address and its replacement with a certificate bearing the
24 new address or the alteration of an outstanding certificate
25 to show the new address of the holder.

1 (10) (a) The number assigned must be painted on or
 2 attached to each outboard side of the forward half of the
 3 motorboat or, if there are no such sides, at a corresponding
 4 location on both outboard sides of the foredeck of the
 5 motorboat. The number assigned must read from left to right
 6 in Arabic numerals and block characters of good proportion
 7 at least 3 inches tall excluding border or trim of a color
 8 that contrasts with the color of the background and be so
 9 maintained as to be clearly visible and legible. The number
 10 may not be placed on the obscured underside of the flared
 11 bow where it cannot be easily seen from another vessel or
 12 ashore. No numerals, letters, or devices other than those
 13 used in connection with the identifying number issued may be
 14 placed in the proximity of the identifying number. No
 15 numerals, letters, or devices that might interfere with the
 16 ready identification of the motorboat by its identifying
 17 number may be carried as to interfere with the motorboat's
 18 identification. No number other than the number and license
 19 decal assigned to a motorboat or granted reciprocity under
 20 this part may be painted, attached, or otherwise displayed
 21 on either side of the forward half of the motorboat.

22 (b) The certificate of number ~~shall~~ must be pocket
 23 size and available to federal, state, or local law
 24 enforcement officers at all reasonable times for inspection
 25 on the motorboat whenever the motorboat is on waters of this

1 state.

2 (c) Boat liveries are not required to have the
 3 certificate of number on board each motorboat, but a rental
 4 agreement must be carried on board livery motorboats in
 5 place of the certificate of number.

6 (11) Fees collected under this section ~~shall~~ must be
 7 transmitted to the state treasurer, who shall deposit the
 8 fees in the motorboat certificate identification account of
 9 an earmarked revenue fund. These fees ~~shall~~ must be used
 10 only for the administration and enforcement of this part, as
 11 amended.

12 (12) An owner of a motorboat ~~must~~ shall within a
 13 reasonable time notify the division of motor vehicles,
 14 giving the motorboat's identifying number and the owner's
 15 name, when that motorboat becomes documented as a vessel of
 16 the United States or is transferred, lost, destroyed,
 17 abandoned, or frauded or within 60 days after change of
 18 state of principal use."

19 Section 6. Section 23-2-513, MCA, is amended to read:

20 "23-2-513. Dealer's identification number. (1) A
 21 dealer or manufacturer may apply directly to the division of
 22 motor vehicles for one identifying number and one or more
 23 certificates of number. A dealer's or manufacturer's
 24 identifying number shall be displayed on his boat while the
 25 boat is operating for a purpose related to the buying,

1 selling, or exchanging of the boat by the dealer or
2 manufacturer.

3 (2) The application for a dealer's or manufacturer's
4 identifying number must include his name and business
5 address. Each dealer or manufacturer will have one
6 identifying number assigned to his business.

7 (3) An application for dealer's or manufacturer's
8 identifying number and certificate of number must be
9 accompanied by the following fees:

10 (a) for the identifying number, first certificate of
11 number, and set of license decals, \$5;

12 (b) for each additional certificate of number and set
13 of license decals applied for in any application, \$2.

14 (4) The division of motor vehicles shall issue
15 certificates of number for the identifying numbers assigned
16 to a dealer or manufacturer in the same manner as provided
17 in 23-2-512(1) and (10), as amended, except that no boat may
18 be described in the certificate and each certificate must
19 state that the identifying number has been assigned to a
20 dealer or manufacturer. A dealer's or manufacturer's
21 certificate of number issued before January 1, 1984, expires
22 on April 30, 1984, and one issued on or after January 1,
23 1984, expires on December 31 of the year for which it is
24 issued.

25 (5) A dealer's or manufacturer's identifying number

1 shall be displayed in the same manner as provided in
2 23-2-512(10), as amended, except that the number may be
3 temporarily attached. The last three letters shall be "DLR"
4 for dealer and "MFR" for manufacturer. These letters shall
5 be included, respectively, in dealer or manufacturer
6 identification numbers only.

7 (6) No person other than a dealer or manufacturer or
8 an employee of a dealer or manufacturer may display or use a
9 dealer's or manufacturer's identifying number. A dealer's or
10 manufacturer's identifying number may be displayed only on
11 motorboats owned by the dealer or manufacturer.

12 (7) No dealer or manufacturer or employee of a dealer
13 or manufacturer may use a dealer's or manufacturer's
14 identifying number for any purpose other than the purpose
15 described in subsection (1) of this section."

16 Section 7. Section 23-2-515, MCA, is amended to read:

17 "23-2-515. License decals to be displayed. (1) Every
18 Montana boat numbered in accordance with the provisions of
19 23-2-512 and 23-2-513 shall be required to display license
20 decals. For this purpose the county treasurer, upon receipt
21 of a certificate of tax of personal property showing payment
22 of tax on the motorboat for the current year, shall issue a
23 pair of decals prepared and furnished by the division of
24 motor vehicles with all new certificates of number and
25 renewals thereof.

1 (2) The decals shall be of a style and design
2 prescribed by the division of motor vehicles and shall be a
3 color differing from the preceding year. The license decal
4 will be serially numbered and have the expiration date of
5 ~~April 30~~ December 31 of the appropriate year printed
6 thereon.

7 (3) License decals shall be displayed only in the
8 following manner: one valid license decal on each side of
9 the forward half, 3 inches aft of the identifying numbers."

10 NEW SECTION. Section 8. Codification instruction.
11 Sections 2 through 4 are intended to be codified as an
12 integral part of Title 23, chapter 2, part 5, and the
13 provisions of Title 23, chapter 2, apply to sections 2
14 through 4.

15 NEW SECTION. Section 9. Effective date. This act is
16 effective January 1, 1984.

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