323 CMR 1.00: MOTORBOAT TITLING

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1.01: Purpose and Scope

The purpose and scope of 323 CMR 1.00 is to serve the public by creating a system of motorboat titling designed to facilitate the accurate and lawful transfer of motorboat ownership, to discourage wrongful transfer and theft, and to enhance the enforcement capabilities of the commonwealth.

1.02: Definitions

<u>Dealer</u>. A person, firm, corporation or entity engaged in the business of buying, selling, or exchanging titled motorboats.

<u>Division</u>. The Division of Law Enforcement within the Department of Fisheries, Wildlife & Environmental Law Enforcement.

<u>Manufacturer</u>. Any person, firm, corporation or entity engaged in the business of manufacturing new titled motorboats for the purpose of sale or trade.

<u>New</u>. Used to describe a titled motorboat after its manufacture and prior to its sale or transfer to a person not a manufacturer or dealer.

<u>Titled Motorboat</u>. Any vessel of 14 feet or greater in length propelled or designed to be propelled by machinery whether or not such machinery is permanently or temporarily affixed or is the principal source of propulsion, but not a vessel which has a valid marine document issued by the Bureau of Customs or the United States government or any federal agency successor thereto.

1.03: Certificate Required as Evidence of Ownership

(1) Except as provided by 323 CMR 1.06, the ownership of a titled motorboat shall be evidenced by a certificate of title issued by the division, unless the motorboat is new.

(2) The ownership of a new titled motorboat shall be evidenced by a manufacturer's or an importer's certificate on a form prescribed by the division.

(3) Except as provided by 323 CMR 1.06, a certificate of title shall be required as proof of ownership of a titled motorboat on an application for registration unless exempted by 323 CMR 1.06.

1.04: Transfers of Titled Motorboats

(1) No person may sell, assign, transfer, or otherwise dispose of an interest in a titled motorboat without:

(a) delivering to the transferee a certificate of title in the name of the transferor properly endorsed to show the transfer, or

(b) if the transferee is not a manufacturer or dealer and the titled motorboat is new, delivering to the division a manufacturer's or importer's certification showing the endorsement of the manufacturer and all intervening owners; or

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(c) if the transferee is a manufacturer or dealer and the titled motorboat is new, delivering to the transferee a manufacturer's or importer's certificate showing the endorsement of the manufacturer and all intervening owners, or

(d) if the titled motorboat is not covered by a certificate of title or manufacturer's or importer's certificate, delivering to the division sufficient evidence of title and other information so that a certificate of title will be issued.

(2) If ownership of a titled motorboat is transferred by operation of law, such as inheritance, order in bankruptcy, insolvency, replevin, or execution sale, the transferee, within 30 days after acquiring the right to possession of the titled motorboat by operation of law, shall provide to the division such proof of the right to possession as it requires, together with an application for a new certificate of title and the required fee.

(3) If a lien holder repossesses a titled motorboat by operation of law and holds it for resale, such person shall secure a new certificate of title and shall pay the required fee.

<u>1.05:</u> Application for a Certificate of Title

(1) <u>Purchaser, Manufacturer or Dealer</u>.

(a) The purchaser of a titled motorboat shall apply to the division for a new certificate of title not later than 20 days after the date of sale.

(b) A manufacturer or dealer who sells a titled motorboat to a person other than a manufacturer or a dealer shall apply to the division for a certificate of title for the titled motorboat in the name of the purchaser not later than 20 days after the date of sale.

(c) A dealer who acquires a titled motorboat, other than a new motorboat, is not required to apply for a certificate of title in the name of the dealer, but on resale of the titled motorboat shall apply in the name of the subsequent purchaser pursuant to 323 CMR 1.05(1)(b) and shall submit to the division the endorsed certification of title acquired by the dealer thereby.

(2) <u>Application Form</u>. A person may apply for an original or duplicate certificate of title on a form prescribed by the division and may apply by mail.

(3) <u>Content of the Application</u>. The application shall be accompanied by evidence of ownership required by the division to establish that the applicant or other person is entitled to a certificate of title or a noted security interest. The evidence required by the division may include:

- (a) a certificate of title issued by another state or jurisdiction;
- (b) a manufacturer's or importer's certificate;
- (c) a bill of sale, assignment, or contract;
- (d) a promissory note;
- (e) a security agreement;
- (f) a bill of lading;
- (g) a probate or heirship proceeding or information;
- (h) a judgement of a court of competent jurisdiction; or
- (i) an invoice

(4) <u>Hull Identification</u>. The division may accept as proof of identification a hand-made, pencil tracing of a vessel's hull identification number.

1.06: Exemptions; Special Rules

- (1) The provisions of 323 CMR 1.00 through 1.05, 1.07 do not apply to the following vessels:(a) nonmotor-powered vessels less than 14 feet in length;
 - (b) vessels owned by the United States;

(c) vessels having a valid marine document issued by the Bureau of Customs or its successor;

(d) vessels used solely for demonstration, testing or sales promotional purposes by a bona fide dealer or manufacturer;

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(e) vessels owned by the state or its political subdivisions;

(f) vessels bearing numbers awarded pursuant to federal law or the law of another state so long as such vessels are not operated in the waters of the commonwealth in excess of 60 consecutive days.

- (2) The provisions of 323 CMR 1.03(1) shall not apply until October 1, 1990.
- (3) The provisions of 323 CMR 1.03(3) shall not apply until July 1, 1990.
- (4) The provisions of 323 CMR 1.04(1)(a), (d) shall not apply until October 1, 1990.

(5) If a titled motorboat for which a certificate of title has been issued subsequently is documented by the Bureau of Customs or its successor, the owner shall remit the certificate of title to the division within 30 days.

1.07: Prohibitions and Penalties

(1) No person shall possess or sell a titled motorboat without an original title or a legally transferred title. Persons in violation of this subsection shall be fined \$100 for the first offense. For any subsequent offense, the offender shall be fined an amount not less than \$250 but not more than \$500.

(2) No person shall falsify a motorboat title or sell a titled motorboat with a falsified title. Persons in violation of this section shall be fined \$500 for the first offense. For any subsequent offense, the offender shall be fined an amount not less than \$1,000 but not more than \$2,000.

REGULATORY AUTHORITY

323 CMR 1.00: M.G.L. c. 90B.

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