

_____ offers the following
substitute to HB 356:

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 52 of the Official Code of Georgia Annotated, relating to waters of the state,
2 ports, and watercraft, so as to provide for the titling and registration of certain vessels; to
3 provide for abandoned vessels; to provide for legislative intent and findings; to provide for
4 related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 The General Assembly finds that:

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

13 **SECTION 2.**

14 Title 52 of the Official Code of Georgia Annotated, relating to waters of the state, ports, and
15 watercraft, is amended by revising Code Section 52-7-5, relating to numbering of vessels,
16 requirements, and fees, as follows:

17 "52-7-5.

- 18 (a) ~~The~~ On and after January 1, 2018, the owner of each vessel required to be numbered
19 by this article shall file an application for number with the ~~department~~ Department of
20 Revenue through the county tag agent of the county of residence of the owner of the vessel
21 on forms containing such information required by the ~~department~~ Department of Revenue.
22 Upon receipt of the completed application and any other required information and
23 documents, the ~~department~~ county tag agent shall enter the application upon ~~its~~ the records
24 of the Department of Revenue and issue to the applicant a certificate of number stating the

25 number assigned to the vessel, the name and address of the owner, and such additional
 26 information as may be prescribed by the ~~department~~ Department of Revenue.

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

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

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

40 (4) Vessels owned by manufacturers or dealers and being used as demonstrators or for
 41 testing may use the dealer's tag supplied with his or her registration issued by the
 42 Department of Revenue in lieu of a permanently attached number.

43 (c) Expiration decals shall be assigned by the ~~department~~ Department of Revenue through
 44 the county tag agents to all registered vessels. Such registration decals shall be provided
 45 by the Department of Revenue to the county tag agents at no cost. Such decals shall be
 46 displayed one on each side of the bow preceding the prefix letters and maintained in legible
 47 condition. There shall be a hyphen or space separating each decal and the prefix letters
 48 which shall be equal to the width of any letter except I.

49 (d) Applications shall be signed by the owner or owners of the vessel and shall be
 50 accompanied by the proper fee. ~~Fees for numbering vessels for a registration period of~~
 51 ~~three years~~ The annual fee for registering a vessel shall be as follows:

52 (1) Vessels up to 16 feet in length.....	\$ 15.00 <u>10.00</u>
53 (2) Vessels 16 to 26 feet in length.....	36.00 <u>20.00</u>
54 (3) Vessels 26 to 40 feet in length.....	90.00 <u>40.00</u>
55 (4) Vessels 40 feet in length or longer.	150.00 <u>60.00</u>

56 The county tag agent shall transfer 72 percent of such fees to the county governing
 57 authority which shall in turn immediately allocate such fees to the county tag agent's
 58 budget in addition to, and not in lieu of, any part of the operating budget necessary to fund
 59 all other operations of the tax commissioner in order to fund the administration of this Code

60 section. The county tag agent shall transmit the remaining 28 percent to the Department
 61 of Revenue for deposit into the state treasury.

62 (e)(1) ~~Registration for vessels shall expire on the last day of the month of the owner's~~
 63 ~~birth in the last year of the registration period and shall thereafter be of no force or effect~~
 64 ~~unless renewed pursuant to this article; provided, however, that the registration for~~
 65 ~~vessels not owned by individuals shall expire on December 31 of the last year of the~~
 66 ~~registration period~~ at 11:59 P.M. on the day of the owner's birth and shall thereafter be
 67 of no force or effect unless renewed pursuant to this article; provided, however, that the
 68 registration for vessels not owned by entities other than natural persons shall expire
 69 according to the following schedule:

70 (A) Midnight of the last day of the month of January for the owner whose name begins
 71 with A or B;

72 (B) Midnight of the last day of the month of February for the owner whose name
 73 begins with C or D;

74 (C) Midnight of the last day of the month of March for the owner whose name begins
 75 with E or F;

76 (D) Midnight of the last day of the month of April for the owner whose name begins
 77 with G or H;

78 (E) Midnight of the last day of the month of May for the owner whose name begins
 79 with I or J;

80 (F) Midnight of the last day of the month of June for the owner whose name begins
 81 with K or L;

82 (G) Midnight of the last day of the month of July for the owner whose name begins
 83 with M or N;

84 (H) Midnight of the last day of the month of August for the owner whose name begins
 85 with O or P;

86 (I) Midnight of the last day of the month of September for the owner whose name
 87 begins with Q or R;

88 (J) Midnight of the last day of the month of October for the owner whose name begins
 89 with S or T;

90 (K) Midnight of the last day of the month of November for the owner whose name
 91 begins with U, V, or W; and

92 (L) Midnight of the last day of the month of December for the owner whose name
 93 begins with X, Y, or Z.

94 Certificates of number may be renewed by the owner in the same manner provided for
 95 in the initial securing of such certificates.

96 (2) Registrations may be renewed any time ~~after October 1~~ within 60 days prior to the
 97 ~~year of expiration~~. If the certificate of number is allowed to expire, a renewal application
 98 may still be filed with the ~~department~~ Department of Revenue through the county tag
 99 agents so long as the applicant pays the registration fee prescribed in subsection (d) of
 100 this Code section along with a \$10.00 late fee.

101 ~~(3) Any application for renewal which, due to failure of the applicant to provide~~
 102 ~~additional information required by the department, remains incomplete 60 days after~~
 103 ~~initial receipt of such application shall expire and a new application and registration fee~~
 104 ~~shall be required for renewal.~~

105 (f)(1) Should the ownership of a numbered vessel change while a valid registration is in
 106 effect, the new owner shall file, within 30 days following such change of ownership, with
 107 the ~~department~~ Department of Revenue through the county tag agent of the county of
 108 residence of the new owner a new application and pay the prescribed fee for a new
 109 registration. The registration number assigned upon transfer of ownership shall be
 110 identical to the previous registration number unless such number has been reassigned by
 111 the ~~department~~ Department of Revenue during any expired registration period. If the date
 112 of purchase falls within 60 days of the new owner's registration expiration date, the new
 113 owner shall be issued a registration that shall be valid until the new owner's registration
 114 expiration date in the following year.

115 (2) The person transferring ownership of a numbered vessel shall cause the expiration
 116 decals to be removed from such vessel at the time of the change in ownership.

117 (3) Failure by the new owner of a numbered vessel to remove the expiration decals upon
 118 the change in ownership shall result in the imposition of a civil penalty in an amount not
 119 to exceed \$1,000.00, as determined by the state revenue commissioner.

120 (g) In the event that an agency of the United States government shall have in force an
 121 overall system of identification (numbering) for vessels within the United States, the
 122 numbering system employed pursuant to this article by the ~~department~~ Department of
 123 Revenue shall be in conformity therewith.

124 (h) The ~~department may~~ Department of Natural Resources shall issue any ~~certificate of~~
 125 ~~number, expiration decal, marine toilet certification, or other permit provided for in this~~
 126 chapter directly or may authorize any person to act as agent for the issuing thereof. ~~In the~~
 127 ~~event that a person accepts such authorization to issue certificates of number, he or she may~~
 128 ~~be allotted a block of numbers and certificates therefor which, upon assignment and issue~~
 129 ~~in conformity with this article and with any rules and regulations of the department, shall~~
 130 ~~be valid as if assigned and issued directly by the department.~~ Any person acting as an
 131 agent for the ~~department~~ Department of Natural Resources may charge a fee for his or her

132 services in an amount approved by the ~~department~~ Department of Natural Resources not
 133 to exceed \$10.00 per transaction.

134 (i) Each tax collector or tax commissioner who is compensated on a salary basis and who
 135 is required to act as the county tag agent under Titles 40, 48, and 52 and whose office
 136 performs the duties of the county tag agent with respect to the processing of title
 137 applications, registrations, and the collection of taxes and other charges prescribed in such
 138 titles shall be entitled to a salary supplement. The supplement shall be 10 percent of the
 139 minimum annual salary prescribed in Code Section 48-5-183. The supplement shall be
 140 subject to those periodic increases also prescribed in Code Section 48-5-183. Such
 141 compensation shall be in addition to any other compensation to which such tax collector
 142 or tax commissioner is entitled. Such additional compensation shall not be paid to any tax
 143 commissioner who is compensated solely by the fee system of compensation, but such
 144 compensation shall be paid to any tax commissioner who is compensated in part by fees
 145 and in part by salary. Such compensation shall be paid in equal monthly installments from
 146 county funds.

147 ~~(i)~~(j) All records of the ~~department~~ Department of Natural Resources and the Department
 148 of Revenue made or kept pursuant to this Code section shall ~~be public records~~ not be
 149 subject to inspection under Article 4 of Chapter 18 of Title 50. However, tax
 150 commissioners, law enforcement officers, the Department of Natural Resources, the
 151 Department of Revenue, and the Department of Driver Services shall be authorized to
 152 access and exchange the information or records maintained pursuant to this Code section
 153 by such departments that are required in the performance of their duties found in Titles 27,
 154 40, 48, and 52. All other requests for information or records shall be made to the
 155 department responsible for maintaining the record as specified under Article 4 of Chapter
 156 18 of Title 50.

157 ~~(j)~~(k) ~~The owner shall furnish the department written notice of the transfer of all or of any~~
 158 ~~part of his or her interest, other than the creation of a security interest, in a vessel numbered~~
 159 ~~in this state pursuant to this Code section, the theft or recovery of the vessel, or the~~
 160 ~~destruction or abandonment of the vessel within 15 days thereof~~ No number other than
 161 the certificate of number validly assigned to a vessel pursuant to subsection (b) of this Code
 162 section shall be painted, attached, or otherwise displayed on either side of the forward half
 163 of the vessel.

164 ~~(k)~~(l) ~~Any holder of a certificate of number shall notify the department in writing within~~
 165 ~~15 days if his or her address no longer conforms to the address appearing on the certificate~~
 166 ~~and shall, as a part of such notification, furnish the department with his or her new address~~
 167 Any holder of a certificate of number shall notify the Department of Revenue in writing
 168 within 30 days if his or her address no longer conforms to the address appearing on the

169 certificate and shall, as a part of such notification, furnish the Department of Revenue with
 170 his or her new address.

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

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

175 (A) The owner transfers all his or her interest in ~~said~~ such vessel to another person or
 176 involuntarily loses his or her interest through legal process;

177 (B) The vessel is destroyed or abandoned;

178 (C) It is discovered by the ~~department~~ Department of Revenue that the application
 179 submitted by the owner contains false or fraudulent information;

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

181 (E) The state of principal use is changed.

182 (2) A void certificate shall be surrendered to the ~~department~~ Department of Revenue
 183 within ~~15~~ 30 days from the date that it becomes or is declared to be void.

184 (n) The number placed on the forward half of the vessel by the owner shall be removed by
 185 the owner if:

186 (1) The vessel is documented under the laws of the United States;

187 (2) The certificate ~~or~~ of number becomes invalid because it is determined that a false or
 188 fraudulent statement was made in the application or the fees have not been paid; or

189 (3) The vessel is no longer used in this state.

190 (o) The ~~board~~ Department of Revenue shall be authorized to establish, by rule or
 191 regulation, a procedure to refund fees collected pursuant to this chapter which were
 192 collected in error or overpayment or to which the ~~department~~ Department of Revenue or
 193 state is otherwise not entitled.

194 (p) Not later than December 31, 2017, the Department of Natural Resources shall provide
 195 the Department of Revenue with all information maintained by the Department of Natural
 196 Resources regarding the registrations and numbering of vessels in this state which the
 197 Department of Revenue shall make available to county tag agents.

198 (q) No application for registration or re-registration shall be accepted without a receipt of
 199 taxes paid from the previous county or reasonable substitute thereof issued by the tax
 200 commissioner of the county from which the vessel is moved and proof, satisfactory to the
 201 Department of Revenue, that all applicable taxes on such vessel have been paid."

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SECTION 3.

Said title is further amended by revising Code Section 52-7-76, relating to issuance of certificate of title, as follows:

"52-7-76.

The purchaser at a sale as authorized in this article shall receive a certified copy of the court order authorizing such sale. Any such purchaser may obtain a certificate of title to such vessel by filing the required application, paying the required fees, and filing a certified copy of the order of the court with the Department of ~~Natural Resources~~ Revenue or the county tag agent. The Department of ~~Natural Resources~~ Revenue shall then issue a certificate of title, which shall be free and clear of all liens and encumbrances."

SECTION 4.

Said title is further amended by adding a new Chapter 7A to read as follows:

"CHAPTER 7A

52-7A-1.

This chapter shall be known and may be cited as the 'Uniform Certificate of Title for Vessels Act.'

52-7A-2.

As used in this chapter, the term:

(1) 'Barge' means a vessel that is neither self-propelled nor fitted for propulsion by sail, paddle, oar, or similar device.

(2) 'Builder's certificate' means a certificate of the facts of build of a vessel described in 46 C.F.R. Section 67.99, as amended.

(3) 'Buyer' means a person that buys or contracts to buy a vessel.

(4) 'Certificate of origin' means a record created by the manufacturer or importer as the manufacturer's or importer's proof of identity of a vessel. The term includes a manufacturer's certificate or statement of origin and an importer's certificate or statement of origin. The term does not include a builder's certificate.

(5) 'Certificate of title' means a record, created by the Department of Revenue under this chapter or by a governmental agency of another jurisdiction under the law of that jurisdiction, that is designated as a certificate of title by the Department of Revenue or agency and is evidence of ownership of a vessel.

(6) 'Commissioner' means the state revenue commissioner.

234 (7) 'County tag agent' means any employee of a local county tax commissioner who is
 235 authorized to access the records of the Department of Revenue in order to collect state
 236 and local annual ad valorem taxes.

237 (8) 'Dealer' means any person designated and licensed by the State of Georgia who is
 238 engaged in the business of selling vessels or outboard motors at retail and shall include
 239 a manufacturer of vessels or outboard motors if such manufacturer sells such vessels or
 240 outboard motors directly to the consumer and:

241 (A) Such dealer shall maintain a salesroom or sales office in a building or an open lot
 242 for retail sales at which a permanent business of bartering, trading, offering, displaying,
 243 selling, or buying is maintained;

244 (B) Such dealer shall provide a physical place of business whose street address along
 245 with a working telephone number which number is published in the name of the
 246 licensee for use in conducting the business of the dealer;

247 (C) Such dealer shall maintain the books, records, and files necessary to conduct such
 248 business at such location; and

249 (D) Such dealer's location shall be clearly marked by an appropriate permanent sign.

250 (9) 'Documented vessel' means a vessel covered by a certificate of documentation issued
 251 pursuant to 46 U.S.C. Section 12105, as amended. The term does not include a foreign
 252 documented vessel.

253 (10) 'Foreign documented vessel' means a vessel the ownership of which is recorded in
 254 a registry maintained by a country other than the United States which identifies each
 255 person that has an ownership interest in a vessel and includes a unique alphanumeric
 256 designation for the vessel.

257 (11) 'Homemade vessel' means any vessel that is built by an individual for personal use
 258 from raw materials that does not require the assignment of a federal hull identification
 259 number by a manufacturer pursuant to federal law. A person furnishing raw materials
 260 under a contract may be considered the builder of a homemade vessel. Antique boats,
 261 boats reconstructed from existing boat hulls, and rebuilt or reconstructed vessels shall not
 262 be considered homemade vessels.

263 (12) 'Hull damaged' means compromised with respect to the integrity of a vessel's hull
 264 by a collision, allision, lightning strike, fire, explosion, running aground, or similar
 265 occurrence, or the sinking of a vessel in a manner that creates significant risk to the
 266 integrity of the vessel's hull.

267 (13) 'Hull identification number' means a number assigned to a vessel by the
 268 manufacturer of the vessel or by the issuing authority of a state as required by the United
 269 States Coast Guard in accordance with federal law.

270 (14) 'Lien' means any lien created by operation of law and not by contract or agreement
 271 with respect to a vessel or outboard motor and includes all liens established in Code
 272 Section 44-14-320, other than liens in favor of mortgages, and all liens for taxes due the
 273 United States of America, constructive notice of which is given by filing notice thereof
 274 in the office designated by state law.

275 (15) 'Lienholder' means a person holding a lien created by operation of law on a vessel
 276 or outboard motor.

277 (16) 'Mail' means to deposit in the United States mail, or any other reasonable substitute
 278 permitted by the commissioner, properly addressed and with postage paid.

279 (17) 'Natural person' means an individual human being and does not include any firm,
 280 partnership, association, corporation, or trust.

281 (18) 'Outboard motor' means a propulsion system for a vessel, consisting of a
 282 self-contained unit that includes an engine, gearbox, and propeller or jet drive, designed
 283 to be affixed to the outside of the transom of a vessel, with a horsepower rating of 10
 284 horsepower or greater. A stern drive propulsion shall be treated as an inboard motor.

285 (19) 'Security agreement' means a written agreement which reserves or creates a security
 286 interest.

287 (20) 'Security interest' means an interest in a vessel or outboard motor reserved or created
 288 by agreement which secures the payment or performance of an obligation, such as a
 289 conditional sales contract, chattel mortgage, bill of sale to secure debt, deed of trust, and
 290 the like. This term includes the interest of a lessor under a lease intended as security.

291 (21) 'Security interest holder' means the holder of a security interest in a vessel or
 292 outboard motor reserved or created by agreement and which secures payment or
 293 performance of an obligation.

294 (22) 'Title brand' means a designation of previous damage, use, or condition that must
 295 be indicated on a certificate of title.

296 (23) 'Vessel' means every description of watercraft, other than a seaplane on the water
 297 or a sailboard, which is self-propelled or capable of self-propulsion and is used or capable
 298 of being used as a means of transportation on water and specifically includes, but is not
 299 limited to, inflatable rafts and homemade vessels.

300 52-7A-3.

301 (a) The commissioner is responsible for the administration of this chapter and may employ
 302 such clerical assistants and agents as may be necessary from time to time to enable the
 303 commissioner to speedily, completely, and efficiently perform the duties conferred on the
 304 commissioner by this chapter. The commissioner shall be authorized to delegate any
 305 administrative responsibility for accepting and processing of applications, certificates of

306 title, notices of security interest, and any other forms or documents relating to the
 307 application and registration process to the appropriate authorized tag agent for the county
 308 in which the application is made or the registration is issued.

309 (b) The commissioner shall prescribe and provide, at no cost to the county tag agent,
 310 suitable forms of applications, certificates of title, notices of security interest, and all other
 311 notices and forms necessary to carry out the provisions of this chapter.

312 (c) The commissioner may:

313 (1) Make necessary investigation to procure information required to carry out the
 314 provisions of this chapter; and

315 (2) Adopt and enforce reasonable rules and regulations to carry out the provisions of this
 316 chapter.

317 52-7A-4.

318 (a) No certificate of title shall be required for:

319 (1) A vessel or outboard motor owned by the United States, a state, or a subdivision
 320 thereof which is used exclusively in nonrecreational public services and is clearly
 321 identified as such;

322 (2) A vessel or outboard motor owned by a manufacturer of or dealer in vessels or
 323 outboard motors and held for sale, even though incidentally used on state waters or used
 324 for testing or demonstration, or a vessel or outboard motor used by a manufacturer solely
 325 for testing or demonstration; provided, however, that all dealers acquiring new vessels
 326 or outboard motors on or after January 1, 2018, from a manufacturer for resale shall
 327 obtain such evidence of origin of title from the manufacturer as the commissioner shall
 328 by rule and regulation prescribe;

329 (3) A vessel owned by a nonresident of this state and not required by law to be registered
 330 in this state;

331 (4) A vessel or outboard motor regularly engaged in the interstate transportation of
 332 persons or property for which a currently effective certificate of title has been issued in
 333 another state;

334 (5) A vessel not motor propelled except for sailboats 12 feet or more in length;

335 (6) An outboard motor rated at not more than 10 horsepower;

336 (7) A vessel or outboard motor which is not sold for the purpose of lawful use on the
 337 waters of this state;

338 (8) A vessel or outboard motor in this state which was purchased prior to
 339 January 1, 2018, and whose ownership has not changed;

340 (9) A barge;

341 (10) A documented vessel;

342 (11) A foreign documented vessel;

343 (12) A vessel before delivery if the vessel is under construction or completed pursuant
 344 to contract; or

345 (13) A vessel held by a dealer for sale or lease.

346 (b) Except as provided in subsection (a) of this Code section, a vessel or outboard motor
 347 that is leased or rented shall be required to have a title as provided in this chapter.

348 52-7A-5.

349 (a) A peace officer who learns of the theft of a vessel or outboard motor not since
 350 recovered shall report the theft to the commissioner. A peace officer who learns of the
 351 recovery of a vessel or outboard motor whose theft or conversion he or she knows or has
 352 reason to believe has been reported to the commissioner shall forthwith report the recovery
 353 to the commissioner.

354 (b) An owner or a security interest holder or lienholder shall report the theft of a vessel or
 355 outboard motor, or its conversion if a crime, to the commissioner. A person who has so
 356 reported the theft or conversion of a vessel or outboard motor shall, after learning of its
 357 recovery, immediately report the recovery to the commissioner.

358 (c) The commissioner shall maintain appropriately indexed weekly and cumulative public
 359 records of stolen, converted, and recovered vessels or outboard motors reported pursuant
 360 to this Code section. The commissioner may make and distribute copies of the weekly
 361 records so maintained to peace officers upon request without fee and to others for the fee,
 362 if any, the commissioner prescribes.

363 (d) The commissioner may suspend the registration of a vessel whose theft or conversion
 364 is reported pursuant to this Code section, and until the commissioner learns of its recovery
 365 or that the report of its theft or conversion was erroneous, the commissioner shall not issue
 366 a certificate of title for the vessel or outboard motor.

367 52-7A-6.

368 (a) A person aggrieved by an act or omission to act of the commissioner under this chapter
 369 is entitled, upon request, to a hearing. The commissioner shall establish a board to hear
 370 complaints of persons aggrieved by an act or omission to act of the commissioner or any
 371 employee of the Department of Revenue pertaining to the administration of this chapter.
 372 The procedure established in this chapter for the handling of complaints and grievances
 373 shall be exclusive, and such procedure shall apply to all such complaints and grievances.
 374 The commissioner shall promulgate rules and regulations governing the membership of the
 375 board and the organization thereof.

376 (b) Hearings conducted under subsection (a) of this Code section shall be conducted under
377 the terms and conditions of Chapter 13 of Title 50, the 'Georgia Administrative Procedure
378 Act,' and court review of such hearings shall be as provided by such chapter.

379 52-7A-7.

380 (a) On and after January 1, 2018, every person who purchases or becomes the owner of
381 a vessel or outboard motor which is required by law to be registered in this state shall make
382 application to the county tag agent for a certificate of title to the vessel or outboard motor
383 in the county wherein the new owner resides or the county in which the licensed selling
384 dealer is located. Applications for title and registration of vessels owned by individuals
385 shall include a United States government issued photo identification in accordance with the
386 federal Homeland Security REAL ID Act of 2005. If a vessel or outboard motor is owned
387 by or used in connection with an established business, application shall be made to the tag
388 agent in the county in which the business is located and the certificate showing where
389 business occupation tax is paid and valid or other documentation as authorized by the
390 county tax commissioner. All 2018 model vessels and outboard motors and all successive
391 model vessels and outboard motors shall have a certificate of title.

392 (b) When the owner of a vessel or outboard motor is required to have a certificate of title,
393 the county tag agent shall not register or transfer the registration of such vessel or outboard
394 motor until a certificate of title has been issued or applied for and all applicable taxes and
395 fees are paid.

396 (c) No application for a certificate of title for a vessel or outboard motor purchased outside
397 the State of Georgia shall be accepted or processed unless the applicant shows, by a valid
398 bill of sale or contract of purchase or by such other documentation satisfactory to the
399 commissioner, that state and local sales and use tax has been paid or is not due. If state and
400 local sales and use tax is owed on such vessel or outboard motor but has not been paid, the
401 county tag agent shall return the unprocessed application to the applicant and shall inform
402 him or her of the requirements of this Code section.

403 52-7A-8.

404 (a) The application for the first certificate of title of a vessel or outboard motor in this state
405 shall be made by the owner to the county tag agent on the prescribed form. Except as
406 provided in subsection (b) of this Code section, the application shall be submitted to the
407 county tag agent by the owner of the vessel or outboard motor within 30 days from the date
408 of purchase of the vessel or outboard motor or from the date the owner is otherwise
409 required by law to register the vessel or outboard motor in this state. If the documents
410 submitted in support of the title application are rejected, the party submitting the

411 documents shall have 60 days from the date of rejection to resubmit the documents
 412 required by the county tag agent for the issuance of a certificate of title. Should the
 413 documents not be properly resubmitted within the 60 day period, the owner of the vessel
 414 shall be required to remove immediately the registration decal of the vessel under Chapter
 415 7 of this title. If the documents have not been resubmitted as required under this
 416 subsection, the registration decal shall be deemed to have expired at 12:00 Midnight of the
 417 sixtieth day following the initial rejection of the documents submitted. Such application
 418 shall contain:

419 (1) The full legal name, residence, and mailing address of the owner; out-of-state owners
 420 shall provide a functional location address;

421 (2) A description of the vessel, including, so far as the following data exist, its make,
 422 model, hull identification number, type, year built, length in feet and inches, and whether
 423 new, used, or a demonstrator, or a description of the outboard motor, including, so far as
 424 the following data exist, its make, horsepower, serial number, type, year built, and
 425 whether new or used;

426 (3) The date of purchase by the applicant and, except as provided in paragraph (2) of
 427 subsection (c) of this Code section, the name and address of the person from whom the
 428 vessel or outboard motor was acquired and the names and addresses of the holders of all
 429 security interests and liens in order of their priority; and

430 (4) Any further information the commissioner reasonably requires to identify the vessel
 431 or outboard motor and to enable the county tag agent to determine whether the owner is
 432 entitled to a certificate of title and the existence or nonexistence of security interests in
 433 the vessel or outboard motor and liens on the vessel or outboard motor.

434 (b)(1) As used in this subsection, the term 'digital signature' means a digital or electronic
 435 method executed or adopted by a party with the intent to be bound by or to authenticate
 436 a record, which is unique to the person using it, is capable of verification, is under the
 437 sole control of the person using it, and is linked to data in such a manner that, if the data
 438 are changed, the digital or electronic signature is invalidated.

439 (2) If the application refers to a vessel or outboard motor purchased from a dealer, it shall
 440 contain the name and address of the holder of any security interest created or reserved at
 441 the time of the sale by the dealer. The application shall be signed by the owner and,
 442 unless the dealer's signature appears on the certificate of title or manufacturer's statement
 443 of origin submitted in support of the title application, the dealer, provided that as an
 444 alternative to a handwritten signature, the commissioner may authorize use of a digital
 445 signature so long as appropriate security measures are implemented which assure security
 446 and verification of the digital signature process, in accordance with regulations
 447 promulgated by the commissioner. The dealer shall promptly mail or deliver the

448 application to the county tag agent of the county in which the selling licensed dealer is
 449 located or of the county wherein the vessel or outboard motor owner resides so as to have
 450 the application submitted to the county tag agent within 30 days from the date of the sale
 451 of the vessel or outboard motor. If the documents submitted in support of the title
 452 application are rejected, the dealer submitting the documents shall have 60 days from the
 453 date of initial rejection to resubmit the documents required by the county tag agent for
 454 the issuance of a certificate of title.

455 (c)(1) If the application refers to a vessel or outboard motor last previously registered in
 456 another state or country, the application shall contain or be accompanied by:

457 (A) Any certificate of title issued by the other state or country; and

458 (B) Any other information and documents the county tag agent reasonably requires to
 459 establish the ownership of the vessel or outboard motor and the existence or
 460 nonexistence of security interests in it and liens against it.

461 (2) If the application refers to a vessel or outboard motor last previously registered in
 462 another state and if the applicant is the last previously registered owner in such state, the
 463 application need not contain the name and address of the person from whom the vessel
 464 or outboard motor was acquired.

465 52-7A-9.

466 (a) The Department of Natural Resources or any law enforcement agency shall validate
 467 the hull identification number of the vessel or serial number of the outboard motor against
 468 the records of vessels and outboard motors required to be maintained by Code
 469 Section 52-7A-10 and against the record of stolen and converted vessels and outboard
 470 motors required to be maintained by Code Section 52-7A-5 which shall be recorded on a
 471 form provided by the commissioner and submitted to the county tag agent with application
 472 for title if required.

473 (b) Subsection (a) of this Code section shall not be applicable to an application for the
 474 first certificate of title of a new or demonstrator vessel or outboard motor when such
 475 application is accompanied by a manufacturer's certificate of origin or similar document
 476 approved by the commissioner by rule or regulation.

477 52-7A-10.

478 (a) The county tag agent shall file each application received and, when satisfied as to its
 479 genuineness and regularity and that the applicant is entitled to the issuance of a certificate
 480 of title, shall submit application of title to the Department of Revenue which shall then
 481 issue a certificate of title for the vessel or outboard motor.

482 (b) The commissioner shall maintain a record of all certificates of title issued:

- 483 (1) Under a distinctive title number assigned to the vessel or outboard motor;
484 (2) Under the hull identification number of the vessel or serial number of the outboard
485 motor;
486 (3) Alphabetically, under the name of the owner;
487 (4) Under the vessel registration number; and
488 (5) In the discretion of the commissioner, in any other method the commissioner
489 determines.
- 490 (c) The commissioner is authorized and empowered to provide for electronic recording of
491 certificate of title records in such manner as the commissioner may deem expedient. The
492 electronic copies authorized in this subsection shall be sufficient as evidence in the tracing
493 of titles of the vessels or outboard motors designated therein and shall also be admitted in
494 evidence in all actions and proceedings to the same extent that the originals would have
495 been admitted.
- 496 (d) The vessel or outboard motor records which the commissioner is required to maintain
497 under this Code section or any other provision are exempt from the provisions of any law
498 of this state requiring that such records be open for public inspection; provided, however,
499 that the records may be disclosed for use by the following:
- 500 (1) Any licensed dealer of new or used vessels or outboard motors; and
501 (2) Any tax collector, tax receiver, or tax commissioner.
- 502 (e) In addition to any public inspection of records authorized under subsection (d) of this
503 Code section, vessel or outboard motor records consisting of vessel or outboard motor
504 description, title status, title brands, recorded liens, or recorded security interests which the
505 commissioner is required to maintain under this Code section shall, in such manner and
506 under such conditions as prescribed by the commissioner, be furnished individually or in
507 bulk to any person upon payment of a reasonable fee for any purpose not otherwise
508 prohibited by law, including without limitation for the purpose of providing information
509 to allow for informed vessel or outboard motor purchase and safety decisions. Records
510 furnished in accordance with this subsection may be subsequently transferred to third
511 parties. Personal information of any registrant, including name, address, date of birth, or
512 social security number, shall not be furnished or transferred by or to any person pursuant
513 to this subsection.
- 514 (f) Personal information furnished under subsection (e) of this Code section shall be
515 limited to the natural person's name and address. The personal information obtained by a
516 business under this Code section shall not be resold or redisclosed for any purpose without
517 the written consent of the individual. Furnishing of information to a business under this
518 Code section shall be pursuant to a contract entered into by such business and the state

519 which specifies the consideration to be paid by such business to the state for such
 520 information and the frequency of updates.

521 52-7A-11.

522 (a) Each certificate of title issued by the commissioner shall contain:

523 (1) The date issued;

524 (2) The name and address of the owner;

525 (3) The names and addresses of the holders of any security interest and of any lien as
 526 shown on the application or, if the application is based on a certificate of title, as shown
 527 on the certificate;

528 (4) The title number assigned to the vessel or outboard motor;

529 (5) A description of the vessel, including, so far as the following data exist, its make,
 530 model, hull identification number, type, year built, length in feet and inches, whether
 531 new, used, or a demonstrator, and, if a new vessel or a demonstrator, the date of the first
 532 sale of the vessel for use, or a description of the outboard motor, including, so far as the
 533 following data exist, its make, model, serial number, type, year built, horsepower,
 534 whether new or used, and, if a new outboard motor, the date of the first sale of the
 535 outboard motor for use; and

536 (6) Any other data the commissioner prescribes.

537 (b) The certificate of title shall contain forms for assignment and warranty of title by the
 538 owner and for assignment and warranty of title by a dealer and may contain forms for
 539 applications for a certificate of title by a transferee or naming of a security interest holder
 540 and of a lienholder and the assignment or release of the security interest and lien.

541 (c) A certificate of title issued by the commissioner is prima-facie evidence of the facts
 542 appearing on it.

543 (d) A certificate of title for a vessel or outboard motor is not subject to garnishment,
 544 attachment, execution, or other judicial process, but this subsection does not prevent a
 545 lawful levy upon the vessel or outboard motor.

546 52-7A-12.

547 (a)(1) The certificate of title shall be mailed or delivered to the holder of the first security
 548 interest or lien named in it. In the event there is no security interest holder or lienholder
 549 named in such certificate, the certificate of title shall be mailed or delivered directly to
 550 the owner.

551 (2) The commissioner may enter into agreements with any such security interest holder
 552 or lienholder to provide a means of delivery by secure electronic measures of a notice of
 553 the recording of such security interest or lien. Such security interest or lien shall remain

554 on the official records of the Department of Revenue until such time as the security
 555 interest or lien is released by secure electronic measures or affidavit of lien or security
 556 interest release; after such release or at the request of the lienholder or security interest
 557 holder, the certificate of title may be printed and mailed or delivered to the next
 558 lienholder or security interest holder or as otherwise provided by paragraph (1) of this
 559 subsection.

560 (b) If the certificate of title is mailed to a security interest holder or lienholder, such person
 561 shall notify by mail all other security interest holders or lienholders that such person has
 562 received the certificate of title. The notice shall inform the security interest holder or
 563 lienholder of the contents and information reflected on such certificate of title. Such
 564 mailing or delivery shall be within five days, exclusive of holidays, after the receipt of the
 565 certificate by the holder of any security interest or lien.

566 (c) The security interest holder or lienholder may retain custody of the certificate of title
 567 until such security interest holder's or lienholder's claim has been satisfied. The security
 568 interest holder or lienholder having custody of a certificate of title shall deliver the
 569 certificate of title to the next lienholder or security interest holder within ten days after such
 570 custodial security interest holder's or lienholder's security interest or lien has been satisfied
 571 and, if there is no other security interest holder or lienholder, such custodial security
 572 interest holder or lienholder shall deliver the certificate of title to the owner.

573 (d) If a security interest or lien has been electronically recorded, the release of such
 574 security interest or lien will require the security interest holder or lienholder to notify the
 575 commissioner and the owner of the vessel or outboard motor, on a form prescribed by the
 576 commissioner or by electronic means approved by the commissioner, of the release of the
 577 security interest or lien. Such notice shall inform the owner that such owner may request
 578 a title free of lien, upon verification of such owner's current mailing address, from the
 579 commissioner as provided in Code Section 52-7A-29.

580 52-7A-13.

581 (a) Whenever the certificate of title is in the possession of a security interest holder or
 582 lienholder, as allowed by this chapter, and some other person, including the owner, who
 583 has an interest in a transaction concerning a security interest or lien shown on the certificate
 584 of title desires to have that transaction reflected on the certificate of title, such security
 585 interest holder or lienholder may execute a notice of that transaction in the form prescribed
 586 by the commissioner, setting forth the details of the transaction such security interest holder
 587 or lienholder desires to be reflected on the certificate of title. The notice and the title
 588 application shall be mailed by certified mail or statutory overnight delivery, return receipt
 589 requested, by the person desiring the change to the first security interest holder or

590 lienholder having possession of the certificate of title. The notice shall contain on its face
591 instructions to the security interest holder or lienholder having custody of the certificate of
592 title directing such security interest holder or lienholder within ten days to forward the
593 notice, the title application, and the certificate of title to the commissioner. The first
594 security interest holder or lienholder having possession of the certificate of title shall
595 comply with the instructions contained in the notice. The county tag agent, upon receipt
596 of such a notice and title application, together with the certificate of title, shall enter the
597 transaction shown on the notice on such commissioner's records and on the certificate of
598 title or issue a new certificate of title and shall then deliver the certificate of title as
599 provided for in this chapter. The person desiring the change shall retain the certified mail
600 or statutory overnight delivery return receipt as proof of such person's compliance with this
601 Code section.

602 (b) In the event the first security interest holder or lienholder holding the certificate of title
603 fails, refuses, or neglects to forward the title application, notice, and original certificate of
604 title to the commissioner, as required by this Code section, the person desiring the change
605 may, on a form prescribed by the commissioner, make direct application to the county tag
606 agent. Such direct application to the county tag agent shall have attached to it the certified
607 mail or statutory overnight delivery return receipt showing the previous mailing of the title
608 application and notice to the first security interest holder or lienholder. Upon receipt of
609 such a direct application, the county tag agent shall order the first security interest holder
610 or lienholder having custody of the certificate of title to forward the certificate of title to
611 the county tag agent for the purpose of having the subsequent transaction entered thereon
612 or a new certificate of title issued. If, after a direct application to the county tag agent and
613 the order of the county tag agent, the first security interest holder or lienholder continues
614 to fail, refuse, or neglect to forward the certificate of title as provided in this Code section,
615 the county tag agent may cancel the outstanding certificate of title and issue a new
616 certificate of title reflecting all security interests and liens, including the subsequent
617 security interest; and this new certificate of title shall be delivered as provided for in this
618 chapter.

619 (c) As an alternative to mailing notices of transactions concerning a security interest or lien
620 on the certificate of title to the county tag agent in accordance with this Code section, the
621 commissioner shall be authorized to permit the transaction to be made by electronic means
622 in accordance with regulations promulgated by the commissioner.

623 (d) No first security interest holder or lienholder having possession of a certificate of title
624 shall have the validity of that security interest or lien affected by surrendering the
625 certificate of title as provided by this Code section.

626 52-7A-14.

627 If the county tag agent is not satisfied as to the ownership of the vessel or outboard motor
 628 or that there are no undisclosed security interests in it, the county tag agent shall either: (1)
 629 withhold issuance of a certificate of title until the applicant presents documents reasonably
 630 sufficient to satisfy the county tag agent as to the applicant's ownership of the vessel or
 631 outboard motor and that there are no undisclosed security interests in it; or (2) as a
 632 condition of issuing a certificate of title, require the applicant to file with the county tag
 633 agent a bond in the form prescribed by the commissioner and executed by the applicant and
 634 by a bonding, surety, or insurance company licensed to do business in Georgia. The bond
 635 shall be in an amount equal to the fair market value of the vessel or outboard motor as
 636 determined by the commissioner or authorized county tag agent and payable to the
 637 commissioner for the benefit of any prior owner, security interest holder, or lienholder and
 638 any subsequent purchaser of the vessel or outboard motor or person acquiring any security
 639 interest or lien on it and their respective successors in interest against any expense, loss,
 640 or damage by reason of the issuance of the certificate of title of the vessel or outboard
 641 motor or on account of any defect in or undisclosed security interest upon the right, title,
 642 and interest of the applicant in and to the vessel or outboard motor. The commissioner
 643 shall have a right of action to recover on the bond for any breach of its conditions, but the
 644 aggregate liability of the surety to all persons shall not exceed the amount of the bond. The
 645 bond shall expire at the end of four years unless the commissioner or authorized county tag
 646 agent has been notified of a breach of a condition of the bond.

647 52-7A-15.

648 (a) The commissioner or the commissioner's duly authorized county tag agent shall refuse
 649 issuance of a certificate of title only if the commissioner or the commissioner's duly
 650 authorized county tag agent has reasonable grounds to believe that:

651 (1) The applicant is not the owner of the vessel or outboard motor;

652 (2) The application contains a false or fraudulent statement;

653 (3) The applicant has failed to furnish required information or documents or any
 654 additional information the commissioner or authorized county tag agent reasonably
 655 requires; or

656 (4) The registration of the vessel or outboard motor stands suspended or revoked for any
 657 reason provided in the laws of this state.

658 (b) If the application for first certificate of title is rejected, the application shall be returned
 659 to the holder of the first security interest or lien named in the application or to the owner
 660 if there is no security interest holder or lienholder.

661 52-7A-16.

662 If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the owner
663 or the legal representative of the owner named in the certificate, as shown by the records
664 of the commissioner or the commissioner's duly authorized county tag agent, shall
665 promptly make application for and may obtain a replacement upon furnishing information
666 satisfactory to the commissioner or authorized county tag agent. The replacement shall be
667 issued on the following terms and conditions:

668 (1) If the replacement title is issued to the owner named in the lost, stolen, mutilated, or
669 destroyed certificate, as shown by the records of the commissioner or authorized county
670 tag agent, the replacement certificate of title shall contain the legend 'This is a
671 replacement certificate and may be subject to the rights of a person under the original
672 certificate.';

673 (2) When the vessel or outboard motor for which a replacement certificate of title has
674 been issued is transferred to a new owner, the certificate of title issued to the transferee
675 shall continue to contain the legend 'This is a replacement certificate and may be subject
676 to the rights of a person under the original certificate.' After a replacement certificate has
677 been issued and the records of the commissioner or authorized county tag agent show that
678 the owner has held record title continuously for a period of not less than six calendar
679 months and the record title of the owner has not been challenged, the commissioner or
680 authorized county tag agent may, upon proper application, issue a replacement title,
681 which shall simply contain the legend 'Replacement Title';

682 (3) If two or more innocent persons are the victims of the fraud or mistake of another and
683 none of the victims could have reasonably taken steps to detect or prevent the fraud or
684 mistake, the victim who first acquired an interest in a vessel or outboard motor through
685 any certificate of title shall have such victim's interest protected; and

686 (4) A replacement title when the original has been lost in the mail prior to receipt by the
687 registered owner shall be issued by the commissioner without charge upon application
688 and completion of the form and affidavit prescribed by the commissioner setting forth the
689 circumstances of nonreceipt of the title. The owner shall report the nonreceipt or loss and
690 apply for replacement of the title to the commissioner or county tag agent within 60 days
691 of the issuance of such title by the commissioner. An applicant shall provide an affidavit
692 of nonreceipt and verify his or her current mailing address.

693 52-7A-17.

694 (a) If an owner transfers his or her interest in a vessel or outboard motor other than by the
695 creation of a security interest, such owner shall, at the time of delivery of the vessel or
696 outboard motor, execute an assignment and warranty of title to the transferee in the space

697 provided therefor on the certificate of title or as the commissioner prescribes and cause the
698 certificate and assignment to be delivered to the transferee. If the transferor willfully fails
699 to deliver the properly assigned certificate of title to the transferee, the transferor shall be
700 guilty of a misdemeanor. In addition, the transferor shall be civilly liable to the transferee
701 for all damages, including reasonable attorney's fees, occasioned by the transferor's failure
702 to comply with this subsection.

703 (b) Except as provided in Code Section 52-7A-18, the transferee, promptly after delivery
704 of the vessel or outboard motor and certificate of title, shall execute the application for a
705 new certificate of title on the form the commissioner prescribes and cause the application
706 and the certificate of title to be mailed or delivered to the county tag agent together with
707 the application for change of registration for the vessel so that the title application shall be
708 received within 30 days from the date of the transfer of the vessel or outboard motor. If
709 the documents submitted in support of the title application are rejected, the party
710 submitting the documents shall have 60 days from the date of initial rejection to resubmit
711 the documents required by the commissioner for the issuance of title. If the documents are
712 not properly resubmitted within 60 days, the owner of the vessel or outboard motor shall
713 be required to remove immediately the registration number of the vessel or outboard motor
714 under Chapter 7 of this title. If the documents have not been resubmitted as required under
715 this subsection, the registration number shall be deemed to have expired at 12:00 Midnight
716 of the sixtieth day following the initial rejection of the documents.

717 (c) If a security interest is reserved or created at the time of the transfer, the certificate of
718 title shall be retained by or delivered to the person who becomes the security interest
719 holder, and the parties shall comply with Code Section 52-7A-30.

720 (d) Except as provided in Code Section 52-7A-18 and as between the parties, a transfer
721 by an owner is not effective until this Code section and Code Section 52-7A-18 have been
722 complied with; and no purchaser or transferee shall acquire any right, title, or interest in
723 and to a vessel or outboard motor purchased by him or her unless and until he or she shall
724 obtain from the transferor the certificate of title thereto, duly transferred in accordance with
725 this Code section.

726 (e) The commissioner shall promulgate procedures and provide forms whereby a
727 prospective purchaser may, if such prospective purchaser desires, have the commissioner's
728 records searched for undisclosed certificates of title and security interests.

729 52-7A-18.

730 (a)(1) Except as provided in paragraph (2) of this subsection, an authorized dealer who
731 buys a vessel or outboard motor and holds it for resale need not apply for a new
732 certificate of title but may retain the certificate delivered to him or her. Upon transferring

733 the vessel or outboard motor to another person other than by the creation of a security
734 interest, such dealer shall promptly execute the assignment and warranty of title by a
735 dealer. Such assignment and warranty shall show the names and addresses of the
736 transferee and any holder of a security interest created or reserved at the time of the resale
737 and the date of his or her security agreement in the spaces provided therefor on the
738 certificate or as the commissioner prescribes. Transfers of vessels or outboard motors
739 under this Code section shall otherwise conform with Code Section 52-7A-17. A dealer
740 selling a previously registered, but not previously titled vessel or outboard motor, need
741 not furnish a purchaser of such a vessel or outboard motor a certificate of title. After a
742 previously registered vessel or outboard motor has been brought under the terms of this
743 chapter, a dealer, when selling such vessel or outboard motor, shall conform to all
744 provisions of this chapter.

745 (2)(A) An authorized dealer shall be issued a dealer number by the Department of
746 Revenue.

747 (B) An authorized dealer who acquires a vessel or outboard motor for which the
748 original certificate of title has not been issued and who holds such vessel or outboard
749 motor for resale shall be exempt from the requirement to obtain a certificate of title in
750 such dealer's name as provided in paragraph (1) of this subsection. Such dealer shall,
751 as provided in Code Section 52-7A-17, obtain a certificate of title in such dealer's name
752 prior to selling or otherwise transferring such vessel or outboard motor to any other
753 person or dealer.

754 (b) Every dealer shall maintain a record, in the form the commissioner prescribes, of every
755 vessel or outboard motor bought, sold, or exchanged by such dealer or received by such
756 dealer for sale or exchange. Such record shall be kept for seven years and shall be open
757 to inspection by a representative of the commissioner during reasonable business hours.

758 (c) Except as otherwise provided for in subsection (c) of Code Section 52-7A-17, the
759 dealer shall submit a properly completed certificate of title application and proper
760 supporting documents to the commissioner or to the appropriate authorized county tag
761 agent so that the application and supporting documents shall be submitted to the
762 commissioner or the appropriate authorized county tag agent within 30 days from the date
763 of the transfer of the vessel or outboard motor. If the documents submitted in support of
764 the title application are rejected, the dealer submitting the documents shall have 60 days
765 from the date of initial rejection to resubmit the documents required by the commissioner
766 for the issuance of title.

767 52-7A-19.

768 (a) If the interest of an owner in a vessel or outboard motor passes to another other than
769 by voluntary transfer, the transferee shall, except as provided in subsection (b) of this Code
770 section, mail or deliver to the commissioner or the appropriate authorized county tag agent
771 the last certificate of title, if available; proof of the transfer; and his or her application for
772 a new certificate in the form the commissioner prescribes, together with the application for
773 change of registration for the vessel, so that the title application and other documents shall
774 be received by the commissioner or the appropriate authorized county tag agent no later
775 than 30 days from the date that the transferee acquired the interest in the vessel or outboard
776 motor. If the documents submitted in support of the title application are rejected, the party
777 submitting the documents shall have 60 days from the date of initial rejection to resubmit
778 the documents required by the commissioner for the issuance of title. Should the
779 documents not be properly resubmitted within the 60 day period, the owner of the vessel
780 or outboard motor shall be required to remove immediately the registration decal of the
781 vessel issued pursuant to Chapter 7 of this title. If the documents have not been
782 resubmitted as required in this subsection, the registration shall be deemed to have expired
783 at 12:00 Midnight of the sixtieth day following the initial rejection of the documents. If
784 the last certificate of title is not available for transfer under this Code section, then the
785 transferee shall forward such proof of transfer as the commissioner may by regulation
786 prescribe.

787 (b) If the interest of the owner is terminated, whether the vessel or outboard motor is sold
788 pursuant to a power contained in a security agreement or by legal process at the instance
789 of the holder either of a security interest or a lien, the transferee shall promptly mail or
790 deliver to the commissioner or the appropriate authorized county tag agent the last
791 certificate of title, if available; proof of transfer; his or her application for a new certificate,
792 in the form prescribed by the commissioner; and an affidavit made by or on behalf of the
793 holder of a security interest in or lien on the vessel or outboard motor with respect to the
794 termination of the interest of the owner so as to have the application and supporting
795 documents submitted to the commissioner or the appropriate authorized county tag agent
796 within 30 days from the date the transferee acquired the interest in the vessel or outboard
797 motor. If the documents submitted in support of the title application are rejected, the
798 transferee submitting the documents shall have 60 days from the date of initial rejection to
799 resubmit the documents required by the commissioner for the issuance of title. If the
800 documents are not properly resubmitted within 60 days, the owner of the vessel shall be
801 required to remove immediately the registration of the vessel or outboard motor issued
802 pursuant to Chapter 7 of this title. If the documents have not been resubmitted as required
803 under this subsection, the registration shall be deemed to have expired at 12:00 Midnight

804 of the sixtieth day following the initial rejection of the documents. If the holder of a
 805 security interest or lien succeeds to the interest of the owner and holds the vessel or
 806 outboard motor for resale, such person need not secure a new certificate of title but, upon
 807 transfer, shall promptly deliver to the transferee the last certificate of title, if available, and
 808 such other documents as the commissioner may require by rule or regulation.

809 (c) A person holding a certificate of title whose interest in the vessel or outboard motor has
 810 been extinguished or transferred other than by voluntary transfer shall mail or deliver the
 811 certificate to the commissioner or the commissioner's duly authorized county tag agent
 812 upon request of the commissioner or authorized county tag agent. The delivery of the
 813 certificate pursuant to the request of the commissioner shall not affect the rights of the
 814 person surrendering the certificate; and the action of the commissioner or authorized
 815 county tag agent in issuing a new certificate of title as provided in this chapter shall not be
 816 conclusive upon the rights of an owner or lienholder named in the old certificate.

817 (d) In the event of transfer as upon inheritance, devise, or bequest, upon receipt of an
 818 application for a new certificate of title, the last certificate of title, if available, and a
 819 certified copy of a will or letters of administration or, if no administration is to be had on
 820 the estate, an affidavit by the applicant to the effect that the estate is not indebted and the
 821 surviving spouse, if any, and the heirs, if any, have amicably agreed among themselves
 822 upon a division of the estate or a certificate from the judge of the probate court showing
 823 that the vessel registered in the name of the decedent owner has been assigned to the
 824 decedent's survivors as part of their year's support, the commissioner shall issue to the
 825 person or persons shown by such evidence to be entitled thereto the certificate of title for
 826 the vessel or outboard motor.

827 (e)(1) In the event of transfer under a will when the vessel or outboard motor was the
 828 decedent's only asset, upon receipt of an application for a new certificate of title, the last
 829 certificate of title, if available, and an affidavit by the applicant to the effect that the
 830 vessel or outboard motor was owned by the decedent and was the decedent's only asset
 831 and was not encumbered, that under the will the applicant is entitled to receive title to
 832 such vessel or outboard motor, that no application for the administration of the estate of
 833 the deceased or the probate of such will is to be had, and that the estate is not indebted
 834 and the surviving spouse, if any, and the heirs, if any, are sui juris and have amicably
 835 agreed that title to such vessel or outboard motor be issued to the applicant, the
 836 commissioner shall issue to the person or persons shown by such evidence to be entitled
 837 thereto the certificate of title for the vessel or outboard motor.

838 (2) The commissioner shall prescribe the form of the affidavit to be used in paragraph (1)
 839 of this subsection.

840 (f) A joint interest in a vessel or outboard motor with survivorship in two or more persons
841 may be created in the manner provided by subsection (a) of Code Section 44-6-190; and,
842 if a certificate of title has been issued to two or more persons having such a joint interest
843 with survivorship, then, in the event of the death of such a joint owner, the surviving such
844 owner or owners, if any, need not secure a new certificate of title.

845 52-7A-20.

846 (a) The commissioner, upon receipt of a properly assigned certificate of title, with an
847 application for a new certificate of title and any other documents required by law from the
848 county tag agent, shall issue a new certificate of title in the name of the transferee as owner
849 and mail the certificate to the first lienholder named in the application or, if none, to the
850 owner.

851 (b) The commissioner, upon receipt of an application for a new certificate of title by a
852 transferee other than by voluntary transfer, with proof of the transfer and any other
853 documents required by law from the county tag agent, shall issue a new certificate of title
854 in the name of the transferee as owner. If the outstanding certificate of title is not delivered
855 to the commissioner or the authorized county tag agent, the commissioner shall make
856 demand for such title from the title holder.

857 (c) The commissioner shall file and retain for five years every surrendered certificate of
858 title, and the file shall be maintained so as to permit the tracing of title of the vessel or
859 outboard motor designated on such title.

860 (d) All reports of title applications handled shall be submitted to the commissioner within
861 seven calendar days from the close of the business day during which such applications
862 were handled.

863 (e) Failure to submit the reports within the seven calendar day period from the close of the
864 business day as required by this Code section shall result in the penalties imposed by Code
865 Section 48-2-44.

866 (f) Before the expiration of the time period within which a title report is required to be
867 filed with the commissioner, application may be made to the commissioner for an
868 extension. The commissioner is authorized, upon a showing of justifiable cause, to grant
869 up to a ten-day extension from the deadline provided for the performance of the duties in
870 this Code section. Only one such extension may be granted with regard to any reports due
871 the commissioner for a specific business day.

872 (g) Proof of mailing within the appropriate time period provided for in this Code section,
873 as evidenced by a United States Postal Service postmark, or any other reasonable substitute
874 permitted by the commissioner shall be prima-facie proof that the county tag agent has
875 complied in a timely manner with the duties enumerated by this Code section.

876 52-7A-21.

877 (a) The commissioner shall suspend or revoke a certificate of title, upon notice and
 878 reasonable opportunity to be heard in accordance with Code Section 52-7A-6, when
 879 authorized by any other provision of law or if the commissioner finds:

880 (1) The certificate of title was fraudulently procured or erroneously issued; or

881 (2) The vessel or outboard motor has been scrapped, dismantled, or destroyed.

882 (b) Suspension or revocation of a certificate of title does not, in itself, affect the validity
 883 of a security interest noted on it.

884 (c) When the commissioner suspends or revokes a certificate of title, the owner or person
 885 in possession of it shall, immediately upon receiving notice of the suspension or revocation,
 886 mail or deliver the certificate to the commissioner.

887 (d) The commissioner may seize and impound any certificate of title which has been
 888 suspended or revoked.

889 52-7A-22.

890 In instances when an application for title is required to be submitted within a certain time
 891 period, proof of mailing within the designated period allowed for submission of the
 892 documents, as evidenced by a United States Postal Service postmark, or any other
 893 reasonable substitute permitted by the commissioner, shall be prima-facie proof that the
 894 application was timely submitted.

895 52-7A-23.

896 (a) Except as provided in Code Sections 11-9-303, 11-9-316, and 11-9-337, the security
 897 interest in a vessel or outboard motor of the type for which a certificate of title is required
 898 shall be perfected and shall be valid against subsequent creditors of the owner, subsequent
 899 transferees, and the holders of security interests and liens on the vessel or outboard motor
 900 by compliance with this chapter.

901 (b)(1) A security interest is perfected by delivery to the commissioner or to the county
 902 tag agent of the county in which the seller is located, the county in which the sale takes
 903 place, the county in which the vessel or outboard motor is delivered, or the county
 904 wherein the vessel or outboard motor owner resides of:

905 (A) The existing certificate of title, if any, and an application for a certificate of title
 906 containing the name and address of a security interest holder; or

907 (B) A notice of security interest on forms prescribed by the commissioner.

908 (2) The security interest is perfected as of the time of its creation if the initial delivery
 909 of the application or notice to the commissioner or county tag agent is completed
 910 within 20 days thereafter, regardless of any subsequent rejection of the application or

911 notice for errors; otherwise, as of the date of the delivery to the commissioner or county
 912 tag agent. The county tag agent shall issue a receipt or other evidence of the date of filing
 913 of such application or notice. When the security interest is perfected as provided for in
 914 this subsection, it shall constitute notice to everybody of the security interest of the
 915 holder.

916 52-7A-24.

917 If the owner creates a security interest in a vessel or outboard motor:

918 (1) The owner shall immediately execute the application in the space provided therefor
 919 on the certificate of title or on a separate form that the commissioner prescribes, showing
 920 the name and address of the security interest holder, and shall deliver the certificate and
 921 the application to the security interest holder;

922 (2) The security interest holder shall immediately mail or deliver the certificate of title
 923 and application to the commissioner or the commissioner's duly authorized county tag
 924 agent within 30 days of the date of creation of the security interest or lien. If the
 925 documents submitted in support of the title application are rejected, the party submitting
 926 the documents shall have 60 days from the date of initial rejection to resubmit the
 927 documents required by the commissioner or authorized county tag agent for the issuance
 928 of title. If the documents are not properly resubmitted within the 60 day period, the
 929 owner of the vessel shall be required to remove immediately the registration decal
 930 required pursuant to Chapter 7 of this title. If the documents have not been resubmitted
 931 as required under this paragraph, the registration shall be deemed to have expired at 12:00
 932 Midnight of the sixtieth day following the initial rejection of the documents; and

933 (3) Upon receipt of the certificate of title and the application, the commissioner or the
 934 commissioner's duly authorized county tag agent shall issue a new certificate containing
 935 the name and address of the security interest holder and of holders of previous unreleased
 936 security interests and liens, if any, and shall mail the certificate to the first holder on it.
 937 If more than one holder is named on the certificate, the first holder shall comply with
 938 subsection (b) of Code Section 52-7A-12 in regard to notifying other holders of the
 939 content of the certificate.

940 52-7A-25.

941 (a) If the owner of a vessel or outboard motor desires to place a second or subsequent
 942 security interest against the vessel or outboard motor and the certificate of title on such
 943 vessel or outboard motor is being held by a security interest holder or lienholder, the owner
 944 shall, on the form prescribed by the commissioner, execute a title application and a notice
 945 of the second or subsequent security interest; and the holder of the second or subsequent

946 security interest shall forward such notice and title application by certified mail or statutory
947 overnight delivery, return receipt requested, to the first holder of a security interest or lien
948 who has custody of the certificate of title. The notice of such second or subsequent security
949 interest shall contain on its face instructions to the security interest holder or lienholder
950 having custody of the certificate of title directing such custodial security interest holder or
951 lienholder within ten days to forward the notice and title application, together with the
952 certificate of title, to the commissioner or the commissioner's duly authorized county tag
953 agent in order that the commissioner or authorized county tag agent may issue a new
954 certificate of title and reflect on the certificate of title the subsequent security interest. The
955 first security interest holder or lienholder having possession of the certificate of title shall
956 comply with the instructions contained in the notice. The commissioner or authorized
957 county tag agent, upon receipt of a properly executed application notice and the original
958 certificate of title, shall enter the subsequent security interest on such commissioner's or
959 authorized county tag agent's records and shall issue a new certificate of title and shall then
960 deliver the certificate of title as provided for in this chapter.

961 (b) If the holder of the second or subsequent security interest forwards by registered or
962 certified mail or statutory overnight delivery the title application and notice of the second
963 or subsequent security interest to the first security interest holder or lienholder who has
964 custody of the certificate of title within ten days of the execution of that second or
965 subsequent security interest, it shall be perfected as of the date it was executed; otherwise,
966 as of the date the notice was forwarded to the first security interest holder or lienholder
967 holding the certificate of title. The second or subsequent security interest holder shall
968 retain the registered or certified mail or statutory overnight delivery return receipt as proof
969 of perfection of the security interest under this Code section.

970 (c) In the event the first security interest holder or lienholder holding the certificate of the
971 title fails, refuses, or neglects to forward the title application, notice, and original certificate
972 of title to the commissioner or the commissioner's duly authorized county tag agent as
973 required by this Code section, the holder of the second or subsequent security interest may,
974 on a form prescribed by the commissioner, make direct application to the commissioner or
975 authorized county tag agent. Such direct application to the commissioner or authorized
976 county tag agent shall have attached to it the registered or certified mail or statutory
977 overnight delivery return receipt showing the previous mailing of the title application and
978 notice to the first security interest holder or lienholder. Upon receipt of such a direct
979 application, the commissioner or authorized county tag agent shall order the first security
980 interest holder or lienholder having custody of the certificate of title to forward the
981 certificate of title to the commissioner or authorized county tag agent for the purpose of
982 having the second or subsequent security interest entered and a new certificate of title

983 issued. If, after a direct application to the commissioner or authorized county tag agent and
 984 the order of the commissioner or authorized county tag agent, the first security interest
 985 holder or lienholder continues to fail, refuse, or neglect to forward the certificate of title as
 986 provided in this Code section, the commissioner or authorized county tag agent may cancel
 987 the outstanding certificate of title and issue a new certificate of title reflecting all security
 988 interests and liens, including the second or subsequent security interest; and this new
 989 certificate of title shall be delivered as provided for in this chapter.

990 (d) As an alternative to mailing notices concerning a second or subsequent security interest
 991 to the commissioner or the commissioner's duly authorized county tag agent in accordance
 992 with this Code section, the commissioner shall be authorized to permit the transaction to
 993 be made by electronic means in accordance with regulations promulgated by the
 994 commissioner.

995 (e) No first security interest holder or lienholder having possession of the certificate of title
 996 shall have the validity of that security interest or lien affected by surrendering the
 997 certificate of title as provided for by this Code section.

998 52-7A-26.

999 (a) If the lienholder, except the holder of a mechanic's lien, perfection of which is
 1000 prescribed in Code Section 52-7A-27, desires to perfect such lien against a vessel or
 1001 outboard motor, the lienholder shall, on the form prescribed by the commissioner, execute
 1002 a title application and a notice of lien stating the type of lien and the specific vessel or
 1003 outboard motor against which the lien is claimed and shall forward such notice and title
 1004 application, either personally or by certified mail or statutory overnight delivery, return
 1005 receipt requested, to the person who has custody of the current certificate of title at the
 1006 address shown on such certificate of title. If someone other than the owner is holding the
 1007 certificate of title, a copy of the notice shall also be forwarded to the owner. The lien
 1008 claimant shall retain the certified mail or statutory overnight delivery receipt as proof of
 1009 compliance with this Code section.

1010 (b) After receipt of the notice of lien, as specified in this Code section, neither the owner
 1011 nor any other person shall take any action affecting the title other than as provided in this
 1012 Code section. After receipt of the notice of lien, the person holding the certificate of title
 1013 shall hold the notice of lien and attachments and the title for ten days. If, during the
 1014 ten-day period following receipt of the notice, the claimed lien is satisfied, the lien claimant
 1015 shall, on the form prescribed by the commissioner, notify the owner and the person holding
 1016 the certificate of title of such satisfaction. The notice of satisfaction shall serve as a release
 1017 and withdrawal of the pending notice of lien. If the owner or person holding the certificate
 1018 of title chooses to contest the claimed lien, such owner or person holding the certificate of

1019 title shall so indicate on the notice of lien form and shall notify the other interested parties.
1020 If the notice contesting the lien is given, or if ten days have elapsed without the lien being
1021 satisfied, the person holding the certificate of title shall forward the certificate of title
1022 together with the notice of lien and attachments thereto to the commissioner or the
1023 commissioner's duly authorized county tag agent in order that the commissioner shall issue
1024 a new certificate of title and reflect on the new certificate of title the lien on the vessel or
1025 outboard motor. The owner or person who has custody of the current certificate of title
1026 shall comply with the instructions contained in the notice; and in the event such owner or
1027 person having custody of the current title cannot do so, such owner or person having
1028 custody of the current title shall notify the lien claimant. The commissioner or authorized
1029 county tag agent, upon receipt of a properly executed title application, notice, and the
1030 current certificate of title, shall enter the lien on the commissioner's records and shall issue
1031 a new certificate of title reflecting the lien and shall then deliver the certificate of title as
1032 provided for in this chapter. The lien shall be perfected at the time the lien notice,
1033 application for title, and current certificate of title are received by the commissioner or
1034 authorized county tag agent.

1035 (c) In the event that the person who has custody of the current certificate of title fails,
1036 refuses, or neglects to forward the title application, notice, and current certificate of title
1037 to the commissioner or the commissioner's duly authorized county tag agent as required by
1038 this Code section, the lien claimant may, if such lien claimant's lien has not been satisfied,
1039 on a form prescribed by the commissioner, make direct application to the commissioner or
1040 authorized county tag agent. Such direct application to the commissioner or authorized
1041 county tag agent shall have attached to it the certified mail or statutory overnight delivery
1042 return receipt showing the previous mailing of the title application and notice to the person
1043 who has custody of the current certificate of title. Upon receipt of such a direct application,
1044 the commissioner or authorized county tag agent shall order the person who has custody
1045 of the current certificate of title to forward the certificate of title to the commissioner or
1046 authorized county tag agent for the purpose of having the lien entered and a new certificate
1047 of title reflecting the lien issued. If, after a direct application to the commissioner or
1048 authorized county tag agent and the order of the commissioner or authorized county tag
1049 agent, the person who has custody of the current certificate of title continues to fail, refuse,
1050 or neglect to forward the certificate of title as provided in this Code section, the
1051 commissioner may cancel the current certificate of title and issue a new certificate of title
1052 reflecting all security interests and liens; and this new certificate of title shall be delivered
1053 as provided for in this chapter. In the event a direct application is made, the lien shall be
1054 perfected as of the date the outstanding certificate of title is canceled.

1055 (d) No security interest holder or lienholder having custody of the certificate of title shall
 1056 have the validity of such security interest holder's or lienholder's security interest or lien
 1057 affected by surrendering the certificate of title as provided by this Code section. The first
 1058 security interest holder or lienholder shall have the responsibility to advise a prospective
 1059 transferee or security interest holder, upon inquiry, that a notice of subsequent lien has been
 1060 received. Upon the issuance of a new certificate of title, the commissioner shall cancel the
 1061 old certificate of title.

1062 (e) A lien perfected under this Code section shall be a lien only against the specific vessel
 1063 or outboard motor identified in the application for a new certificate of title.

1064 (f) A lien on a vessel or outboard motor for which a certificate of title is required shall be
 1065 perfected and shall be valid against subsequent transferees and holders of security interests
 1066 and liens only through compliance with this Code section. The procedure contained in this
 1067 chapter shall be the exclusive method for the perfection of liens on vessels or outboard
 1068 motors required to have certificates of title, and no lien shall be effective against such a
 1069 vessel or outboard motor unless so perfected.

1070 52-7A-27.

1071 (a) All mechanics of every sort shall have a special lien on any vessel or outboard motor
 1072 required to have a certificate of title by Code Section 52-7A-7 for work done, for work
 1073 done and materials furnished, or for materials furnished in repairing or servicing such
 1074 vessel or outboard motor. Perfection of the lien by recording shall be as provided in Code
 1075 Section 52-7A-26. The lien may be asserted by retention of the vessel or outboard motor,
 1076 and all contracts for repairs or service to vessels or outboard motors shall be deemed to
 1077 incorporate a right of retention by the mechanic to protect this lien until it is paid or
 1078 satisfied through foreclosure as provided in this Code section. The lien may also be
 1079 asserted by surrendering the vessel or outboard motor, giving credit, and foreclosing the
 1080 lien claim in the manner provided in this Code section. If the mechanic surrenders
 1081 possession of the vessel or outboard motor to the debtor, the mechanic shall record the
 1082 claim of lien as provided in Code Section 52-7A-26. Such special lien shall be superior to
 1083 all liens except for taxes and such other security interests and liens of which the mechanic
 1084 had actual or constructive notice before the work was done or material furnished. The
 1085 validity of the lien against third parties shall be determined in accordance with this chapter.

1086 (b) If possession is retained or the lien recorded, the owner-debtor may contest the validity
 1087 of the amount claimed to be due by making written demand upon the lienholder. If upon
 1088 receipt of such demand the lienholder fails to institute foreclosure proceedings within ten
 1089 days where possession has been retained, or within 30 days where possession has been
 1090 surrendered, the lien is forfeited.

1091 (c) The lien shall be foreclosed in the following manner:

1092 (1) A person asserting the lien, either for himself or herself or as a guardian,
1093 administrator, executor, or trustee, may move to foreclose it by making an affidavit to a
1094 court of competent jurisdiction showing all the facts necessary to constitute a lien under
1095 this Code section and the amount claimed to be due;

1096 (2) Upon such affidavit being filed, the clerk or a judge of the court shall serve notice
1097 upon the owner, the recorded security interest holders and lienholders, and the lessee, if
1098 any, of the vessel or outboard motor of a right to a hearing to determine if reasonable
1099 cause exists to believe that a valid debt exists, and such notice shall include that such
1100 hearing must be petitioned for within five days after receipt of the notice and that, if no
1101 petition for such hearing is filed within the time allowed, the lien will conclusively be
1102 deemed a valid one and foreclosure thereof allowed;

1103 (3) If a petition for a hearing is filed within the time allowed, the court shall set a
1104 probable cause hearing within ten days of the filing of the petition. If, at the probable
1105 cause hearing, the court determines that reasonable cause exists to believe that a valid
1106 debt exists, the mechanic shall be given possession of the vessel or outboard motor or the
1107 court shall obtain possession of the vessel or outboard motor, as ordered by the court;
1108 provided, however, that the owner-debtor may retain possession of the vessel or outboard
1109 motor by giving bond and security in the amount determined to be probably due and the
1110 costs of the action;

1111 (4) Within five days of the probable cause hearing, a defendant shall petition the court
1112 for a full hearing on the validity of the debt if a further determination of the validity of
1113 the debt is desired. If no such petition is filed, the lien on the amount determined
1114 reasonably due shall be conclusively deemed valid and foreclosure allowed; if such a
1115 petition is filed, the court shall set a full hearing thereon within 30 days of the filing of
1116 the petition. Upon the filing of such petition by the defendant, neither the prosecuting
1117 mechanic nor the court may sell the vessel or outboard motor, although possession of the
1118 vessel or outboard motor may be retained;

1119 (5) If, after a full hearing, the court finds that a valid debt exists, then the court shall
1120 authorize foreclosure upon and sale of the vessel or outboard motor subject to the lien to
1121 satisfy the debt if the debt is not otherwise immediately paid;

1122 (6) If the court finds the actions of the mechanic in retaining or seeking possession of the
1123 vessel or outboard motor were not taken in good faith, the court, in its discretion, may
1124 award damages to the owner, the lessee, or any person deprived of the rightful use of the
1125 vessel or outboard motor due to the deprivation of the use of the vessel or outboard
1126 motor; and

1127 (7) Any proceeding to foreclose a mechanic's lien on a vessel or outboard motor must
 1128 be instituted within one year from the time the lien is recorded or is asserted by retention.

1129 52-7A-28.

1130 (a) The holder of any security interest in or lien on a vessel or outboard motor may assign,
 1131 absolutely or otherwise, such holder's security interest or lien to a person other than the
 1132 owner without affecting the interest of the owner or the validity of the security interest or
 1133 lien; but any person without notice of the assignment is protected in dealing with the holder
 1134 of the security interest or lien, and the holder of the security interest or lien remains liable
 1135 for any obligations as such holder until the assignee is named as the holder of the security
 1136 interest or lien on the certificate of title.

1137 (b) The assignee may, but need not to perfect the assignment, have the certificate of title
 1138 endorsed or issued with the assignee named as holder of a security interest or lien upon
 1139 delivering to the commissioner or the commissioner's duly authorized county tag agent the
 1140 certificate and assignment by the holder of a security interest or lien named in the
 1141 certificate in the form the commissioner prescribes, provided that as an alternative to a
 1142 handwritten signature, the commissioner may authorize use of a digital signature, as
 1143 defined in subsection (b) of Code Section 52-7A-8, so long as appropriate security
 1144 measures are implemented which assure security and verification of the digital signature
 1145 process, in accordance with regulations promulgated by the commissioner. If the
 1146 assignment refers to a security interest or lien which is reflected on the certificate of title
 1147 and the certificate of title is in the possession of the first security interest holder or
 1148 lienholder as provided by this chapter, the assignee may, but need not to perfect the
 1149 assignment, have the certificate of title endorsed, or a new certificate of title issued, by
 1150 complying with Code Section 52-7A-13.

1151 52-7A-29.

1152 (a)(1) If any security interest or lien listed on a certificate of title is satisfied, the holder
 1153 thereof shall, within ten days after demand, execute a release in the form the
 1154 commissioner prescribes and mail or deliver the release to the owner, provided that as an
 1155 alternative to a handwritten signature, the commissioner may authorize use of a digital
 1156 signature, as defined in subsection (b) of Code Section 52-7A-8, so long as appropriate
 1157 security measures are implemented which assure security and verification of the digital
 1158 signature process, in accordance with regulations promulgated by the commissioner. For
 1159 the purposes of the release of a security interest or lien, the holder of the security interest
 1160 or lien is the parent bank or other lending institution; and any branch or office of the
 1161 parent bank or other lending institution may execute such release.

1162 (2) If the commissioner has entered into an agreement with such a security interest
 1163 holder or lienholder to provide a means of delivery by secure electronic measures of a
 1164 notice of the recording of such security interest or lien, at such time as the security
 1165 interest or lien is released, by secure electronic measures, the certificate of title may be
 1166 printed and mailed or delivered to the next security interest holder or lienholder or, if
 1167 there is no other security interest holder or lienholder, to the owner.

1168 (b) The owner may then forward the certificate of title, the release, and the properly
 1169 executed title application to the commissioner or the commissioner's duly authorized
 1170 county tag agent, and the commissioner or authorized county tag agent shall release the
 1171 security interest or lien on the certificate so that the commissioner can issue a new
 1172 certificate and mail or deliver the certificate to the owner. If the satisfied security interest
 1173 or lien is one reflected on the certificate of title but the certificate of title is in the custody
 1174 of the first security interest holder or lienholder as provided by this chapter, the release may
 1175 be handled as provided in Code Section 52-7A-13, and Code Section 52-7A-12 shall
 1176 otherwise be complied with. In the event that the security interest holder or lienholder is
 1177 no longer in business, an individual shall not be required to submit a release to secure a
 1178 new certificate of title. The owner shall be required to present to the commissioner or
 1179 authorized county tag agent certification from the appropriate regulatory agency that such
 1180 security interest holder or lienholder is no longer in business.

1181 (c) Any lien or security interest shall be considered satisfied and release shall not be
 1182 required after 20 years from the date of issuance of a title on which such security interest
 1183 or lien is listed. None of the provisions of this Code section shall preclude the perfection
 1184 of a new security agreement or lien, or the perfection of an extension of a security
 1185 agreement or lien beyond a period of ten years, by application for a new certificate of title
 1186 on which such security agreement or lien is listed. In order to provide for the continuous
 1187 perfection of a security interest or lien originally entered into for a period of more than ten
 1188 years, an application for a second title on which the security interest or lien is listed must
 1189 be submitted to the commissioner or the commissioner's duly authorized county tag agent
 1190 before ten years from the date of the original title on which such security interest or lien
 1191 is listed. Otherwise, the security interest or lien shall be perfected as of the date of receipt
 1192 of the application by the commissioner or the commissioner's duly authorized county tag
 1193 agent.

1194 52-7A-30.

1195 The holder of any security interest or lien named in a certificate of title shall, upon written
 1196 request of the owner, another holder of any security interest or lien named in the certificate,
 1197 an interested third party, or the commissioner, disclose any information pertinent to the

1198 security interest, the security agreement, and the debt secured thereby and the lien and the
1199 amount for which it is claimed.

1200 52-7A-31.

1201 The method provided in this chapter of perfecting and giving notice of security interests
1202 and liens with respect to vessels or outboard motors for which certificates of title must be
1203 obtained under this chapter is exclusive, and such security interests and liens are exempt
1204 from the provisions of law which otherwise require or relate to the recording or filing of
1205 security interests or liens, claims of lien executions, and other like instruments with respect
1206 to such vessels or outboard motors.

1207 52-7A-32.

1208 This chapter shall not apply to or affect a security interest in a vessel or outboard motor
1209 created by a manufacturer or dealer who holds the vessel or outboard motor for sale. A
1210 buyer in the ordinary course of trade with the manufacturer or dealer takes free of such
1211 security interest.

1212 52-7A-33.

1213 Notwithstanding any other provision of law, a transaction does not create a sales or security
1214 interest merely because it provides that the rental price is permitted or required to be
1215 adjusted under the agreement either upward or downward by reference to the amount
1216 realized upon sale or other disposition of the vessel or outboard motor.

1217 52-7A-34.

1218 Notwithstanding any other provision of law to the contrary, in any claim involving the total
1219 loss of a vessel or outboard motor which is subject to more than one perfected security
1220 interest or lien as recorded on the title of the vessel or outboard motor, the proceeds of the
1221 insurance policy shall be first applied to the debt owed to the first lienholder. In the event
1222 that there are proceeds remaining after satisfying the first lienholder, the proceeds shall be
1223 then applied to the debt owed to the second and subsequent lienholders in order of priority,
1224 and any proceeds remaining after the satisfaction of all such recorded liens shall be paid
1225 to the insured. If the amount of debt secured by such security interests or liens or the
1226 seniority of such security interests or liens is in doubt, any remaining funds shall be
1227 deposited with the court and a complaint for interpleader shall be filed in accordance with
1228 Code Section 9-11-22.

52-7A-35.

(a) Unless subsection (c) of this Code section applies, at or before the time the owner of record transfers an ownership interest in a hull damaged vessel that is covered by a certificate of title created by the Department of Revenue, if the damage occurred while that person was the owner of the vessel and the person has notice of the damage at the time of the transfer, the owner shall:

(1) Deliver to the county tag agent an application for a new certificate of title and includes the title brand designation 'Hull Damaged'; or

(2) Indicate on the certificate of title in a place designated for such purpose that the vessel is hull damaged and deliver such certificate of title to the transferee.

(b) Not later than 20 days after the delivery to the county tag agent of the application under paragraph (1) of subsection (a) of this Code section or the certificate of title under paragraph (2) of subsection (a) of this Code section, the Department of Revenue shall create a new certificate of title that indicates that the vessel is branded 'Hull Damaged'.

(c) Before an insurer transfers an ownership interest in a hull damaged vessel that is covered by a certificate of title, the insurer shall deliver to the county tag agent an application for a new certificate of title that includes the title brand designation 'Hull Damaged'. Not later than 20 days after delivery of the application to the county tag agent, the Department of Revenue shall create a new certificate of title that indicates that the vessel is branded 'Hull Damaged'.

(d) An owner of record that fails to comply with subsection (a) of this Code section, a person that solicits or colludes in a failure by an owner of record to comply with subsection (a) of this Code section, or an insurer that fails to comply with subsection (c) of this Code section shall be subject to a civil fine not to exceed \$1,000.00.

52-7A-36.

A person who, with fraudulent intent:

(1) Alters, forges, or counterfeits a certificate of title under this chapter;

(2) Alters or forges an assignment of a certificate of title or an assignment or release of a security interest on a certificate of title or a form the commissioner prescribed under this chapter;

(3) Has possession of or uses a certificate of title under this chapter knowing it to have been altered, forged, or counterfeited;

(4) Uses a false or fictitious name or address or makes a material false statement, fails to disclose a security interest, or conceals any other material fact in an application for a certificate of title under this chapter;

1264 (5) Alters or forges a notice of a transaction concerning a security interest or lien
 1265 reflected on the certificate of title as provided by Code Section 52-7A-13; or
 1266 (6) Willfully violates any other provision of this chapter after having previously violated
 1267 the same or any other provision of this chapter and having been convicted of that act in
 1268 a court of competent jurisdiction
 1269 shall be guilty of a felony.

1270 52-7A-37.

1271 (a) A person who:

1272 (1) With fraudulent intent permits another, not entitled thereto, to use or have possession
 1273 of a certificate of title under this chapter;

1274 (2) Willfully fails to mail or deliver a certificate of title to the commissioner or to the
 1275 purchaser of the vessel or outboard motor or a release of security interest or lien to the
 1276 owner within ten days of the time required by this chapter, except as provided in Code
 1277 Section 52-7A-35;

1278 (3) Willfully fails or refuses to mail or deliver the certificate of title to the commissioner
 1279 within ten days after having received a notice, as provided for in Code Section 52-7A-13
 1280 or 52-7A-29; or

1281 (4) Willfully violates any other provision of this chapter

1282 shall be guilty of a misdemeanor.

1283 (b) Any person, firm, or corporation which knowingly makes any false statement in any
 1284 title application concerning the date a vessel or outboard motor was sold or acquired or the
 1285 date of creation of a security interest or lien shall be guilty of a misdemeanor and, upon
 1286 conviction thereof, shall be fined not more than \$100.00 or imprisoned for a period not to
 1287 exceed 30 days.

1288 (c) Any person, firm, or corporation which delivers or accepts a certificate of title assigned
 1289 in blank shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not
 1290 more than \$100.00 or imprisoned for a period not to exceed 30 days for the acceptance or
 1291 delivery of each certificate of title assigned in blank.

1292 52-7A-38.

1293 A person who knowingly makes a false report to a peace officer or the commissioner of the
 1294 theft or conversion of a vessel or outboard motor shall be guilty of a misdemeanor of a high
 1295 and aggravated nature.

1296 52-7A-39.

1297 In a prosecution for a crime specified in this chapter, evidence that the defendant has
1298 committed a prior act or acts of the same kind is admissible to prove criminal intent or
1299 knowledge.

1300 52-7A-40.

1301 Unless another penalty is provided in this chapter:

1302 (1) A person convicted of a felony for the violation of a provision of this chapter shall
1303 be punished by a fine of not less than \$500.00 nor more than \$5,000.00, by imprisonment
1304 for not less than one year nor more than five years, or by both such fine and
1305 imprisonment; and

1306 (2) A person convicted of a misdemeanor for the violation of a provision of this chapter
1307 shall be punished as provided in Code Section 17-10-3.

1308 52-7A-41.

1309 The penal provisions of this chapter in no way repeal or modify any existing provision of
1310 criminal law but are additional and supplementary thereto."

1311 **SECTION 5.**

1312 All laws and parts of laws in conflict with this Act are repealed.