

12:7A-2 et seq

12/2/87

LEGISLATIVE HISTORY CHECKLIST

NJSA: 12:7A-2 et seq. "Boat Ownership Certificate Act"

CHAPTER 138

Laws Of: 1987

Bill No: S3247

Sponsor(s): Weiss and Rand

Date Introduced: April 27, 1987

Committee: **Assembly:** -----

Senate: Law, Public Safety and Defense

Amended during passage: No

Date of Passage: **Assembly:** May 28, 1987

Senate: May 18, 1987

Date of Approval: June 9, 1987

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** No

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: No

Following were printed:

Reports: No

Hearings: No

SENATE, No. 3247
STATE OF NEW JERSEY

INTRODUCED APRIL 27, 1987

By Senators WEISS and RAND

Referred to Committee on Law, Public Safety and Defense

AN ACT concerning certificates of ownership for marine equipment, amending P. L. 1984, c. 152 and repealing section 20 thereof.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Section 2 of P. L. 1984, c. 152 (C. 12:7A-2) is amended to
2 read as follows:

3 2. The Legislature declares it to be a public policy of this State
4 that *certain vessels***[.]** and hulls**[,** and outboard motors**]** shall be
5 titled.

1 2. Section 3 of P. L. 1984, c. 152 (C. 12:7A-3) is amended to
2 read as follows:

3 3. As used in this act:

4 a. "Abstract" means a duplicate copy of the original certificate
5 of ownership recording any encumbrance or upon which the
6 existence of a security interest is noted.

7 b. "Buyer" includes purchaser, debtor, lessee, bailee, trans-
8 feree, and any person buying or attempting to buy marine equip-
9 ment, or any person acquiring marine equipment subject to a
10 security interest, lease, bailment or transfer agreement, and their
11 legal successors in interest.

12 c. "Certificate of number" means the paper or papers issued in
13 conformance with chapter 7 of Title 12 of the Revised Statutes
14 certifying registration of the numbers assigned to the vessel.

15 d. "Certificate of origin" means the original written instrument
16 or document required to be executed and delivered by the manu-

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.
Matter printed in italics thus is new matter.

17 facturer to his agent or a dealer, or a person purchasing directly
18 from the manufacturer, certifying the origin of the [vessel, hull, or
19 outboard motor] *marine equipment*.

20 e. "Certificate of ownership" means the paper or papers issued
21 in conformance with this act, certifying ownership of [a vessel,
22 hull, or outboard motor] *marine equipment*, other than a manu-
23 facturer's or importer's certificate of origin.

24 f. "Dealer" means any person who engages wholly or in part
25 in the business of buying, selling or exchanging new or used marine
26 equipment.

27 g. "Debtor" means the person who owes payment or other
28 performance of the obligation secured by a security interest in
29 marine equipment.

30 h. "Director" means the Director of the Division of Motor
31 Vehicles in the Department of Law and Public Safety.

32 i. "Documentation papers" means those papers issued to a
33 documented vessel by the United States Coast Guard or any
34 federal agency successor thereto.

35 j. "Documented vessel" means a vessel which has valid docu-
36 mentation papers issued by the United States Coast Guard or any
37 federal agency successor thereto.

38 k. "Hull" means a vessel, exclusive of all means of propulsion.

39 l. "Inboard vessel" means a hull with an inboard engine includ-
40 ing an inboard/outboard or stern drive installed as a primary or
41 auxiliary means of propulsion.

42 m. "Manufacturer" means any person engaged in the business
43 of manufacturing new marine equipment for the purpose of sale
44 or trade.

45 n. "Manufacturer's number" means a hull identification number
46 affixed by the manufacturer pursuant to federal regulation or
47 assigned by the director pursuant to regulation[, the manu-
48 facturer's serial number of an outboard motor, or a number
49 assigned to an outboard motor by the director pursuant to regula-
49A tion].

50 o. "Marine equipment" means vessels[.] or hulls[, and out-
51 board motors] *greater than 12 feet in length*.

52 p. "New marine equipment" means a newly manufactured
53 vessel[.] or hull[, or outboard motor] *greater than 12 feet in*
54 *length*.

55 q. ["Outboard motor" means any completely self-contained
56 propulsion system, excluding fuel supply, which is used to propel
57 a vessel and which is detachable from such vessel as a unit, and

- 58 commonly known as an outboard motor.】 (*Deleted by amendment,*
 59 *P. L. . . . , c. . . .*)
- 60 r. 【“Outboard vessel” means a hull with an outboard motor
 61 attached as a primary or auxiliary means of propulsion.】 (*Deleted*
 62 *by amendment, P. L. . . . , c. . . .*)
- 63 s. “Principal use within this State” means marine equipment
 64 that has been within this State for a period in excess of 【60】 180
 65 consecutive days, unless the equipment is in this State for the
 66 purpose of wet or dry storage, or for repairs, in which case the
 67 actual time for this storage or repairs shall not be counted as in-
 68 cluded within the 【60】 180 day period.
- 69 t. “Purchaser” means a person who takes possession of marine
 70 equipment by transfer of ownership, either for use or resale, except
 71 a dealer when he takes possession through a certificate of origin.
- 72 u. “Secured party” means a lender, seller or other person in
 73 whose favor there is a security interest.
- 74 v. “Security agreement” means an agreement which creates or
 75 provides for a security interest in marine equipment.
- 76 w. “Security interest” means an interest in marine equipment
 77 which secures payment or other performance of an obligation.
- 78 x. “Sell” or “sale” or “purchase” and any form thereof in-
 79 clude absolute or voluntary sales and purchases, agreements to
 80 sell and purchase, bailments, leases, security agreements whereby
 81 any marine equipment is sold and purchased, or agreed to be sold
 82 and purchased, involuntary, statutory and judicial sales, inheri-
 83 tance, devise, or bequest, gift or any other form or manner of sale
 84 or agreement of sale thereof, or the giving or transferring of
 85 possession of a piece of marine equipment to a person for a
 86 permanent use, where there is continued possession for 60 days or
 87 more.
- 88 y. “Seller” means manufacturer, dealer, lessor, bailor, trans-
 89 feror with or without a security interest, and any other person
 90 selling, attempting to sell, or delivering marine equipment and
 91 their legal successors in interest.
- 92 z. “Title papers” mean any instrument or document that is
 93 evidence of ownership of a vessel【.】 or hull【, or outboard motor】
 94 *greater than 12 feet in length.*
- 95 aa. “Used marine equipment” means a vessel【.】 or hull【, or
 96 outboard motor】 *greater than 12 feet in length*, title to, or posses-
 97 sion of, which has been first transferred from the person who first
 98 acquired it from the manufacturer or dealer, and so used as to
 99 become what is commonly known as 【“secondhand”】 “pre-owned”

100 within the ordinary meaning thereof, and every vessel~~[,]~~ or hull~~[,]~~
101 or outboard motor~~]~~ greater than 12 feet in length other than a new
102 vessel~~[,]~~ or hull~~[,]~~, or outboard motor~~]~~ greater than 12 feet in
103 length.

104 bb. "Vessel" means a boat or watercraft, other than a seaplane
105 on the water, used or capable of being used as a means of trans-
106 portation on water.

107 cc. "Length" means the measurement of a vessel or hull, in
108 feet and inches, from end to end over the deck and parallel to the
109 centerline, excluding sheer, bowsprits, bumpkin rudders, outboard
110 motors, brackets and other equipment or appendages.

111 dd. "Owner" means a person, other than a lienholder, having
112 the property of, or title to, a vessel or hull. The term includes a
113 person entitled to the use or possession of the vessel subject to the
114 interest of another person, which interest is reserved or created
115 by agreement and secures the payment or performance of an
116 obligation, and excludes a lessee under a lease that is not intended
117 as security for the vessel or hull.

118 ee. "Power vessel" means a vessel which is greater than 12
119 feet in length and is temporarily or permanently equipped with
120 machinery for propulsion, excluding a vessel propelled wholly by
121 sails or by muscular power.

122 ff. "Sailboat" means any boat whose sole source of propulsion
123 is a natural element, such as the wind.

1 3. Section 5 of P. L. 1984, c. 152 (C. 12:7A-5) is amended to
2 read as follows:

3 5. a. Except as provided in section 6 of this act, for each piece
4 of marine equipment principally used in this State, the owner shall
5 make application to the director for a certificate of ownership.

6 b. Except as may be otherwise provided in this act, the Depart-
7 ment of Law and Public Safety shall not number or renew the
8 certificate of number of a vessel, which is required to be numbered
9 in this State pursuant to the "New Jersey Boat Act of 1962," P. L.
10 1962, c. 73 (C. 12:7-34.36 et seq.) and is defined as "marine equip-
11 ment" under section 3 of P. L. 1984, c. 152 (C. 12:7A-3), unless a
12 certificate of ownership has been issued by the director to the owner
13 pursuant to this act.

1 4. Section 6 of P. L. 1984, c. 152 (C. 12:7A-6) is amended to
2 read as follows:

3 6. a. Any person, who prior to the effective date of this act,
4 owned any marine equipment shall, at the time its certificate of
5 number is due to be renewed, file an application for a certificate
6 of ownership for the marine equipment as required in section 5,

7 and shall file a financing statement as required in section 12 of this
8 act.

9 b. A certificate of ownership shall not be required under this act
10 for any marine equipment that is:

11 (1) a ship's lifeboat;

12 (2) a non-motorized, inflatable surfboard, racing shell,
13 rowing scull, tender for direct transportation between a vessel
14 and the shore and for no other purpose (dinghy), or vessel,
15 except outboard vessels, of 12 feet or less in length: [or];

16 (3) a canoe or kayak;

17 (4) a public vessel of the United States or any state, or any
18 subdivision or agency thereof;

19 (5) any vessel used exclusively for racing while actually
20 competing in or tuning up for an authorized race held under
21 the auspices of a duly incorporated yacht club or racing asso-
22 ciation, in accordance with the rules and regulations pre-
23 scribed by the Division of Motor Vehicles in the Department
24 of Law and Public Safety and pursuant to a permit duly issued
25 thereby; or

26 (6) a sailboat of 12 feet or less in length.

1 5. Section 7 of P. L. 1984, c. 152 (C. 12:7A-7) is amended to
2 read as follows:

3 7. a. [A certificate of ownership shall be in the possession of
4 any] A person who possesses or has custody of a piece of marine
5 equipment [and shall be exhibited by the person at the request
6 of the director, a member of the State Marine Police Force, or
7 any law enforcement officer] shall exhibit the certificate of owner-
8 ship therefor, after a request by the director, the State Marine
9 Police Force, or any other law enforcement officer, in accordance
10 with the regulations adopted by the director. These regulations
11 shall set forth the time, manner and place in which the certificate
12 of ownership shall be exhibited.

13 b. The director shall prescribe, by regulation, the forms for
14 certificates of ownership and certified copies.

15 c. Whenever marine equipment is in the possession of a marina
16 operator, dealer, or service facility, production by the marina
17 operator, dealer, or service facility of a writing, signed by the
18 person delivering possession of the marine equipment which states
19 that the person delivering possession is the owner or entitled to
20 possession of the marine equipment and that the person has title
21 papers or a certificate of number or other evidence of ownership,
22 shall satisfy the requirements of this section. However, the

23 director, the State Marine Police Force or any law enforcement
24 officer may seize and take into possession anywhere in this State
25 any marine equipment for which the manufacturer's number is not
26 readable. The marine equipment shall be disposed of as provided
27 in this act.

28 d. If any marine equipment, including documented vessels, is
29 titled or exhibits registration numbers or other identifying marks
30 issued by another state or the United States Coast Guard and is
31 being used, operated or stored in this State, a person in possession
32 of, or using or operating the marine equipment or documented
33 vessel shall be entitled to ownership or possession in accordance
34 with federal regulations or the laws of the state where the marine
35 equipment or documented vessel is titled or registered. However,
36 the person in possession shall produce for the director, the State
37 Marine Police Force, or any law enforcement officer anywhere in
38 this State, documents showing title to, or right of possession in,
39 the marine equipment or documented vessel in the person or in the
40 person who is authorized to possess or use, or to use and operate,
41 the marine equipment or documented vessel, which documents shall
42 evidence the valid documentation, titling or registering of the
43 marine equipment or documented vessel pursuant to federal regula-
44 tion or requirements of the particular state.

45 e. If there is a failure to produce a valid certificate of number
46 as required by section 4 of P. L. 1962, c. 73 (C. 12:7-34.39), a *valid*
47 *certificate of ownership as required in regulations prescribed by*
48 *the director, or valid documentation papers*, the director, the State
49 Marine Police Force or any law enforcement officer may, if neces-
50 sary, seize and take possession, either constructive or actual, any-
51 where in this State of the marine equipment or documented vessel
52 and dispose of it as provided in this act: provided that, if a person
53 charged with a violation of this section can exhibit the certificate
54 of number, certificate of ownership, or documentation papers that
55 were valid on the day he was charged to the judge of the court
56 before whom he is summoned to answer to the charge, the judge
57 may dismiss the charge and may impose court costs.

1 6. Section 12 of P. L. 1984, c. 152 (C. 12:7A-12) is amended to
2 read as follows:

3 12. a. The purchaser of any marine equipment *for which a*
4 *certificate of ownership is required* in this State shall, within 10
5 days after its purchase, submit to the director evidence of the
6 purchase. Upon presentation to the director of the certificate of
7 origin or certificate of ownership, with proper assignment and

8 certification of the seller, a record of the transaction shall be made
9 and filed. A certificate of ownership shall be made and filed. A
10 certificate of ownership shall be issued by the director and
11 delivered to the buyer, in case of a sale not subject to a security
12 interest, and the director shall collect a fee for the issuance and
13 filing thereof.

14 b. In the case of a sale subject to a security interest, the original
15 certificate of ownership, with the name and address of the holder
16 of the encumbrance or secured party or his assignee recorded
17 thereon, shall be delivered to the holder of the encumbrance or
18 secured party or his assignee and a nonnegotiable copy thereof
19 shall be delivered to the buyer. The director shall collect a fee
20 for his services in issuing a certificate and a copy thereof, and for
21 making and filing a record of the transaction pursuant to this
22 subsection.

23 c. Except as otherwise provided in this section, whenever a
24 security interest is created in any marine equipment, other than
25 a security interest which is required to be noted on the certificate
26 of origin or the certificate of ownership as provided in sections 11
27 and 12 of this act, there shall be filed with the director the certifi-
28 cate of ownership of the marine equipment together with a financ-
29 ing statement on a form prescribed by the director. The director
30 shall make and file a record of the transaction and shall issue a
31 certificate of ownership recording the name and address of the
32 secured party or his assignee thereon, and shall deliver it to the
33 secured party or his assignee. A copy of the certificate of owner-
34 ship so issued shall be delivered to the owner. The director shall
35 collect a fee for his services in issuing a certificate and copy
36 thereof and for making and filing a record of the transaction pur-
37 suant to this subsection.

38 d. The financing statement required to be filed pursuant to sub-
39 section c. of this section shall be signed only by the owner, shall
40 not be required to be acknowledged or proved, and shall show, in
41 addition to such matters as the director may require for the
42 proper identification of the marine equipment affected, the date
43 of the security agreement, and the names and addresses of the
44 parties thereto. The security agreement or a copy thereof, or any
45 proof of execution thereof other than that contained in the financ-
46 ing statement, need not be presented to the director. When the
47 owner is a corporation, it shall be sufficient if the financing state-
48 ment is signed by any officer thereof, or by any agent designated
49 by the corporation for that purpose, and it shall not be necessary

50 that the financing statement recite the authorization of the agent.
51 When there is more than one owner, it shall be sufficient if the
52 financing statement is signed by any one of them.

53 e. Nothing in subsections c. and d. of this section shall apply
54 to a security interest in marine equipment which constitutes in-
55 ventory held for sale, but the interest shall be subject to chapter
56 9 of Title 12A of the New Jersey Statutes.

57 f. In addition to the fees elsewhere in this section provided for,
58 there shall be paid to the director a fee for notice of satisfaction
59 of the lien or encumbrance of the record or abstract, or of the
60 termination of the security interest where the marine equipment is
61 subject to a lien or encumbrance or a security interest.

62 g. Notwithstanding any other provision of this section to the
63 contrary, when any dealer [licensed under the provisions of section
64 20 of this act] is the purchaser of any marine equipment in this
65 State, he shall, within 10 days after its purchase, submit to the
66 director the evidence of purchase. Upon presentation of the
67 certificate of ownership with proper assignment and certification
68 of the seller to the director, a record of the transaction shall be
69 made and filed. A certificate of ownership shall be issued by the
70 director and delivered to the purchaser, and the director shall
71 collect a fee for the issuing and filing thereof. A purchaser of any
72 marine equipment who fails to comply with the provisions of this
73 subsection shall pay the director a penalty plus the issuing and
74 filing fee.

75 h. The failure of a person to comply with the requirements of
76 this section shall constitute a violation within the provisions of
77 section 25 of this act, but the failure shall not affect the validity
78 of any instrument creating or reserving a security interest in any
79 marine equipment as between the parties to the instrument.

80 i. The notation of the name and business or residence address
81 of a secured party or his assignee on the certificate of origin or
82 on the certificate of ownership, as provided in sections 9 and 10
83 of this act, and the presentation to the director of the certificate
84 or origin or certificate of ownership so noted, in the compliance
85 with the security interest filing requirements of this act, shall be
86 in lieu of all filing requirements imposed by chapter 9 of Title
87 12A of the New Jersey Statutes and shall constitute the perfec-
88 tion of the security interest in the marine equipment, and the
89 rights and remedies of the debtors and the secured parties in re-
90 spect to the security interest shall, except as otherwise expressly

91 provided in this act, be subject to and governed by chapter 9 of
92 Title 12A of the New Jersey Statutes.

93 *j. Any security interest perfected pursuant to chapter 9 of Title*
94 *12A of the New Jersey Statutes not later than 30 days after either*
95 *the effective date of this 1987 amendatory act or June 15, 1987,*
96 *whichever date is later, shall remain perfected pursuant to that*
97 *Title 12A until perfected as required under P. L. 1984, c. 152 (C.*
98 *12:7A-1 et seq.). For this category of security interest, perfection*
99 *in accordance with P. L. 1984, c. 152 shall occur not later than one*
100 *year after either the effective date of this 1987 amendatory act or*
101 *June 15, 1987, whichever date is later. For this category of secur-*
102 *ity interest, the subsequent perfection under P. L. 1984, c. 152 shall*
103 *be deemed to be a continuation of the initial perfection pursuant*
104 *to chapter 9 of Title 12A of the New Jersey Statutes.*

1 7. Section 16 of P. L. 1984, c. 152 (C. 12:7A-16) is amended
2 to read as follows:

3 16. a. If any marine equipment, numbered vessel, or docu-
4 mented vessel is seized, levied upon, or attached and taken into
5 possession, actually or constructively, by virtue of judicial process
6 issued by a court of competent jurisdiction in this State, or by
7 virtue of a State or federal statute, the person from whom pos-
8 session of the marine equipment, numbered vessel, or documented
9 vessel was taken, and without prejudice to his rights in the prem-
10 ises, shall surrender the title papers or certificate of ownership,
11 certificate of number or *other* marine documents to the director
12 upon written notice or demand from the director. The officer or per-
13 son so seizing and taking possession of such marine equipment,
14 numbered vessel, or documented vessel shall file with the director a
15 notice in writing giving a full description of such items as pre-
16 scribed by regulation, and the name and address of the person
17 from whom taken, and shall attach a copy of the process or statu-
18 tory or other authority to the notice. If the marine equipment,
19 numbered vessel, or documented vessel is sold in pursuance thereof,
20 the officer so selling it shall execute and deliver to the purchaser
21 at the sale an application for certificate of ownership, *if this cer-*
22 *tificate is required under P. L. 1984, c. 152 (C. 12:7A-1 et seq.),* in
23 in the same form and manner as provided in this act, which shall
24 also contain the name and address of the person from whom the
25 marine equipment, numbered vessel, or documented vessel was
26 taken. A copy of the process or statutory or other authority under
27 which the marine equipment, numbered vessel, or documented
28 vessel is sold and a copy of the notice of sale, which notice of sale

29 shall contain a description of the marine equipment, numbered
30 vessel, or documented vessel as required by this act, shall be at-
31 tached thereto. If the sale is held by a bailiff or attorney in fact for
32 a lienor, the lienor shall also execute the application for certificate
33 of ownership, *if this certificate is required under P. L. 1984, c. 152.*
34 The director, upon new application to him by the purchaser at the
35 sale, shall file and record the purchase of the marine equipment as
36 provided in this act.

37 b. The director shall provide by regulation for procedures re-
38 garding marine equipment or documented vessels forfeited to the
39 State.

1 8. Section 17 of P. L. 1984, c. 152 (C. 12:7A-17) is amended to
2 read as follows:

3 17. a. Any marine equipment or vessel seized by the director,
4 the State Marine Police Force or any law enforcement officer for
5 failure to provide evidence of ownership **[upon demand]** *as re-*
6 *quired by law or regulation*, shall be held by the director, the State
7 Marine Police Force or law enforcement agency, as the case may
8 be, not longer than 90 days until the certificate of number, or cer-
9 tificate of ownership, or documentation papers have been pro-
10 duced to the satisfaction of the officer or person so seizing and
11 taking possession of the marine equipment or vessel. If the docu-
12 ments have not been produced after seizure, the director, the State
13 Marine Police Force or law enforcement agency, as the case may
14 be, may collect any transportation fees or recover the expenses
15 that were incurred in storage of the marine equipment or vessel.
16 The director may prescribe a schedule of storage fees where the
17 storage, including necessary liability coverage, is performed by a
18 State facility. After 90 days, the marine equipment or vessel shall
19 be sold at public auction, and the proceeds deposited in a special
20 fund as hereinafter provided.

21 b. Except for marine equipment missing a manufacturer's serial
22 number, the director may prescribe by regulation a time period
23 before the marine equipment is seized. The director may also
24 prescribe procedures permitting constructive seizure of marine
25 equipment.

26 c. Whenever any marine equipment alleged to be stolen comes
27 into the custody of the director, the State Marine Police Force or
28 any law enforcement agency, as the case may be, the officer or per-
29 son so seizing and taking possession of the marine equipment
30 shall proceed as provided in chapter 65 of Title 20 of the New
31 Jersey Statutes.

32 d. Neither the director, the State Marine Police Force, nor any
 33 law enforcement officer or agency shall be liable for any action
 34 taken pursuant to this act regarding the seizure of vessels. Neither
 35 the director, the State Marine Police Force, nor any law enforce-
 36 ment officer or agency shall be liable for any remaining lien or
 37 security interest held in the marine equipment. The remaining
 38 lien or security interest shall be the sole obligation of the person
 39 who obtained the lien or interest.

1 9. Section 19 of P. L. 1984, c. 152 (C. 12:7A-19) is amended to
 2 read as follows:

3 19. The director may refuse to issue a certificate of number for
 4 any vessel required to have the certificate, unless there is furnished
 5 to the director or his agent title papers or **[certificates]** *a cer-*
 6 *tificate of ownership, if required for the vessel*, in conformity to
 7 this act. The director may provide by regulation for the issuance
 8 of title papers to marine equipment in possession as of the effec-
 9 tive date of this act or marine equipment purchased in a juris-
 10 diction that does not require or issue title papers.

1 10. Section 22 of P. L. 1984, c. 152 (C. 12:7A-22) is amended to
 2 read as follows:

3 22. The director shall prepare and prescribe forms necessary
 4 for the proper administration of this act. The director or a mem-
 5 ber of the State Marine Police Force may seize and take posses-
 6 sion of any certificate of ownership or **[other]** title papers *or*
 7 *other marine documents* to which the director may be entitled, and
 8 which a person is under duty to return to the director, from any
 9 person or place in this State, with all the rights, privileges and
 10 immunities conferred by law on an officer executing a writ of
 11 replevin.

1 11. Section 23 of P. L. 1984, c. 152 (C. 12:7A-23) is amended to
 2 read as follows:

3 23. Whenever marine equipment is scrapped, dismantled, de-
 4 stroyed, lost, changed in any manner so that it loses its character
 5 as a vessel**[,]** *or hull***[, or outboard motor]** *greater than 12 feet*
 6 *in length*, or changed in any manner so that it is not the marine
 7 equipment described in the certificate of ownership, or a person
 8 permanently relinquishes possession other than by sale, the owner
 9 named in the last certificate of ownership shall immediately sur-
 10 render and deliver the certificate to the director, who shall issue
 11 a receipt to the person surrendering the certificate of ownership.
 12 Whenever marine equipment is sold to be scrapped, junked or
 13 destroyed, assignment shall be made to the purchaser in accor-

14 dance with the provisions of this act. The purchaser shall, within
 15 five days, deliver the certificate of ownership to the director, who
 16 shall issue a receipt to the person surrendering it.

17 The director may require an affidavit, in form that he may
 18 prescribe, that the marine equipment was so lost, destroyed, dis-
 19 mantled or altered, scrapped or junked, or if practicable and feasi-
 20 ble, the director may require that his agent or designee make in-
 21 spection or investigation of the facts surrounding the circum-
 22 stances.

1 12. Section 25 of P. L. 1984, c. 152 (C. 12:7A-25) is amended to
 2 read as follows:

3 25. a. If any person violates any of the provisions of this act
 4 or any rule, regulation or order adopted or issued pursuant to
 5 the provisions of this act, the director may institute a civil action
 6 in a court of competent jurisdiction for injunctive relief to enforce
 7 said provisions and to prohibit and prevent that violation and
 8 the court may proceed in the action in a summary manner.
 9 Any person who violates the provisions of this act or any
 10 rule, regulation or order adopted or issued pursuant to this
 11 act shall be liable to a civil administrative penalty of not more
 12 than \$5,000.00 for each offense, to be imposed by the director pur-
 13 suant to standards adopted in regulations; or a civil penalty of
 14 not more than \$5,000.00 for each offense, to be collected in a civil
 15 action by a summary proceeding under "the penalty enforcement
 16 law," N. J. S. 2A:58-1 et seq., or in any case before a court of
 17 competent jurisdiction wherein injunctive relief has been re-
 18 quested.

19 b. The Superior Court~~],~~ and the municipal courts~~],~~ and the
 20 county district courts~~]~~ shall have the jurisdiction to enforce the
 21 provisions of this act. If the violation is of a continuing nature,
 22 each day during which it continues shall constitute an additional,
 23 separate and distinct offense. The director is authorized to com-
 24 promise and settle any claim for a penalty under this section in
 25 such amount in the discretion of the director as may appear ap-
 26 propriate and equitable under all of the circumstances.

27 c. ~~[A dealer convicted of a violation of any provision of this~~
 28 ~~act, whether penalized by this section or another section, may~~
 29 ~~have his license suspended by the director.] (Deleted by amend-~~
 30 ~~ment, P. L. , c.)~~

1 13. Section 20 of P. L. 1984, c. 152 (C. 12:7A-20) is repealed.

1 14. This act shall take effect immediately.

STATEMENT

This bill would amend the "Boat Ownership Certificate Act," P. L. 1984, c. 152 (C. 12:7A-1 et seq.), to omit the requirement that vessels 12 feet or less in length and outboard motors be certified. This bill also amends that law to give flexibility to the means by which security interests on boats may be perfected under certain circumstances. Because P. L. 1984, c. 152 takes effect on June 15, 1987, it is imperative that this bill be signed into law prior to that date, to ensure that a coordinated program for boat certification is ready for implementation this year by the Division of Motor Vehicles in the Department of Law and Public Safety.

BOATS, VESSELS, WATERWAYS

Changes requirements for certain types of titling under the "Boat Ownership Certificate Act."

SENATE LAW, PUBLIC SAFETY AND DEFENSE
COMMITTEE

STATEMENT TO

SENATE, No. 3247

STATE OF NEW JERSEY

DATED: MAY 4, 1987

The Senate Law, Public Safety and Defense Committee reports favorably Senate Bill No. 3247.

Senate Bill No. 3247 amends the "Boat Ownership Certificate Act," P. L. 1984, c. 152 (C. 12:7A-1 et seq.), to omit the requirement that vessels 12 feet or less in length and outboard motors be certified. This bill also amends that law to give flexibility to the means by which security interests on boats may be perfected under certain circumstances.

The Boat Ownership Certificate Act will take effect on June 15, 1987; therefore, the enactment of this bill into law as soon as possible will ensure a coordinated program for the implementation of boat certification by the Division of Motor Vehicles.