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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/28/2019	.	
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The Committee on Infrastructure and Security (Hooper)
recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 328.001, Florida Statutes, is created to
read:

328.001 Short title.—This part may be cited as the “Uniform
Certificate of Title for Vessels Act.”

Section 2. Section 328.0015, Florida Statutes, is created
to read:



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11 328.0015 Definitions.-

12 (1) As used in this part, the term:

13 (a) "Barge" means a vessel that is not self-propelled or
14 fitted for propulsion by sail, paddle, oar, or a similar device.

15 (b) "Builder's certificate" means a certificate of the
16 facts of build of a vessel described in 46 C.F.R. s. 67.99.

17 (c) "Buyer" means a person who buys or contracts to buy a
18 vessel.

19 (d) "Cancel," with respect to a certificate of title, means
20 to make the certificate ineffective.

21 (e) "Certificate of origin" means a record created by a
22 manufacturer or an importer as the manufacturer's or importer's
23 proof of identity of a vessel. The term includes a
24 manufacturer's certificate or statement of origin and an
25 importer's certificate or statement of origin. The term does not
26 include a builder's certificate.

27 (f) "Certificate of title" means a record, created by the
28 department or by a governmental agency of another jurisdiction
29 under the law of that jurisdiction, that is designated as a
30 certificate of title by the department or agency and is evidence
31 of ownership of a vessel.

32 (g) "Dealer" means a person, including a manufacturer, in
33 the business of selling vessels.

34 (h) "Department" means the Department of Highway Safety and
35 Motor Vehicles.

36 (i) "Documented vessel" means a vessel covered by a
37 certificate of documentation issued pursuant to 46 U.S.C. s.
38 12105. The term does not include a foreign-documented vessel.

39 (j) "Electronic" means relating to technology having



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40 electrical, digital, magnetic, wireless, optical,
41 electromagnetic, or similar capabilities.

42 (k) "Electronic certificate of title" means a certificate
43 of title consisting of information that is stored solely in an
44 electronic medium and is retrievable in perceivable form.

45 (l) "Foreign-documented vessel" means a vessel the
46 ownership of which is recorded in a registry maintained by a
47 country other than the United States which identifies each
48 person who has an ownership interest in the vessel and includes
49 a unique alphanumeric designation for the vessel.

50 (m) "Good faith" means honesty in fact and the observance
51 of reasonable commercial standards of fair dealing.

52 (n) "Hull damaged" means compromised with respect to the
53 integrity of a vessel's hull by a collision, allision, lightning
54 strike, fire, explosion, running aground, or similar occurrence,
55 or the sinking of a vessel in a manner that creates a
56 significant risk to the integrity of the vessel's hull.

57 (o) "Hull identification number" means the alphanumeric
58 designation assigned to a vessel pursuant to 33 C.F.R. part 181.

59 (p) "Lien creditor," with respect to a vessel, means:

60 1. A creditor that has acquired a lien on the vessel by
61 attachment, levy, or the like;

62 2. An assignee for benefit of creditors from the time of
63 assignment;

64 3. A trustee in bankruptcy from the date of the filing of
65 the petition; or

66 4. A receiver in equity from the time of appointment.

67 (q) "Owner" means a person who has legal title to a vessel.

68 (r) "Owner of record" means the owner indicated in the



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69 files of the department or, if the files indicate more than one
70 owner, the one first indicated.

71 (s) "Person" means an individual, a corporation, a business
72 trust, an estate, a trust, a statutory trust, a partnership, a
73 limited liability company, an association, a joint venture, a
74 public corporation, a government or governmental subdivision, an
75 agency, an instrumentality, or any other legal or commercial
76 entity.

77 (t) "Purchase" means to take by sale, lease, mortgage,
78 pledge, consensual lien, security interest, gift, or any other
79 voluntary transaction that creates an interest in a vessel.

80 (u) "Purchaser" means a person who takes by purchase.

81 (v) "Record" means information that is inscribed on a
82 tangible medium or that is stored in an electronic or other
83 medium and is retrievable in perceivable form.

84 (w) "Secured party," with respect to a vessel, means a
85 person:

86 1. In whose favor a security interest is created or
87 provided for under a security agreement, regardless of whether
88 any obligation to be secured is outstanding;

89 2. Who is a consignor as defined under chapter 679; or

90 3. Who holds a security interest arising under s. 672.401,
91 s. 672.505, s. 672.711(3), or s. 680.508(5).

92 (x) "Secured party of record" means the secured party whose
93 name is indicated as the name of the secured party in the files
94 of the department or, if the files indicate more than one
95 secured party, the one first indicated.

96 (y) "Security interest" means an interest in a vessel which
97 secures payment or performance of an obligation if the interest



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98 is created by contract or arises under s. 672.401, s. 672.505,
99 s. 672.711(3), or s. 680.508(5). The term includes any interest
100 of a consignor in a vessel in a transaction that is subject to
101 chapter 679. The term does not include the special property
102 interest of a buyer of a vessel on identification of that vessel
103 to a contract for sale under s. 672.501, but a buyer also may
104 acquire a security interest by complying with chapter 679.
105 Except as otherwise provided in s. 672.505, the right of a
106 seller or lessor of a vessel under chapter 672 or chapter 680 to
107 retain or acquire possession of the vessel is not a security
108 interest, but a seller or lessor also may acquire a security
109 interest by complying with chapter 679. The retention or
110 reservation of title by a seller of a vessel notwithstanding
111 shipment or delivery to the buyer under s. 672.401 is limited in
112 effect to a reservation of a security interest. Whether a
113 transaction in the form of a lease creates a security interest
114 is determined as provided in part II of chapter 671.

115 (z) "Sign" means, with present intent to authenticate or
116 adopt a record, to:

- 117 1. Make or adopt a tangible symbol; or
118 2. Attach to or logically associate with the record an
119 electronic symbol, sound, or process.

120 (aa) "State" means a state of the United States, the
121 District of Columbia, Puerto Rico, the United States Virgin
122 Islands, or any territory or insular possession subject to the
123 jurisdiction of the United States.

124 (bb) "State of principal use" means the state on the waters
125 of which a vessel is or will be used, operated, navigated, or
126 employed more than on the waters of any other state during a



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127 calendar year.

128 (cc) "Title brand" means a designation of previous damage,
129 use, or condition that must be indicated on a certificate of
130 title.

131 (dd) "Transfer of ownership" means a voluntary or
132 involuntary conveyance of an interest in a vessel.

133 (ee) "Vessel" means a watercraft used or capable of being
134 used as a means of transportation on water, except:

135 1. A seaplane;

136 2. An amphibious vehicle for which a certificate of title
137 is issued pursuant to chapter 319 or a similar statute of
138 another state;

139 3. A watercraft less than 16 feet in length and propelled
140 solely by sail, paddle, oar, or an engine of less than 10
141 horsepower;

142 4. A watercraft that operates only on a permanently fixed,
143 manufactured course and the movement of which is restricted to
144 or guided by means of a mechanical device to which the
145 watercraft is attached or by which the watercraft is controlled;

146 5. A stationary floating structure that:

147 a. Does not have and is not designed to have a mode of
148 propulsion of its own;

149 b. Is dependent for utilities upon a continuous utility
150 hookup to a source originating on shore; and

151 c. Has a permanent, continuous hookup to a shoreside sewage
152 system;

153 6. Watercraft owned by the United States, a state, or a
154 foreign government or a political subdivision of any of them;
155 and



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156 7. A watercraft used solely as a lifeboat on another
157 watercraft.

158 (ff) "Vessel number" means the alphanumeric designation for
159 a vessel issued pursuant to 46 U.S.C. s. 12301.

160 (gg) "Written certificate of title" means a certificate of
161 title consisting of information inscribed on a tangible medium.

162 (2) The following definitions and terms also apply to this
163 part:

164 (a) "Agreement" as defined in s. 671.201(3).

165 (b) "Buyer in ordinary course of business" as defined in s.
166 671.201(9).

167 (c) "Conspicuous" as defined in s. 671.201(10).

168 (d) "Consumer goods" as defined in s. 679.1021(1)(w).

169 (e) "Debtor" as defined in s. 679.1021(1)(bb).

170 (f) "Knowledge" as defined in s. 671.209.

171 (g) "Lease" as defined in s. 680.1031(1)(j).

172 (h) "Lessor" as defined in 680.1031(1)(p).

173 (i) "Notice" as defined s. 671.209.

174 (j) "Representative" as defined in s. 671.201(36).

175 (k) "Sale" as defined in s. 672.106(1).

176 (l) "Security agreement" as defined in s. 679.1021(1)(uuu).

177 (m) "Seller" as defined in s. 672.103(1)(d).

178 (n) "Send" as defined in s. 671.201(39).

179 (o) "Value" as defined in s. 671.211.

180 Section 3. Section 328.01, Florida Statutes, is amended to
181 read:

182 328.01 Application for certificate of title.—

183 (1)~~(a)~~ The owner of a vessel which is required to be titled
184 shall apply to the county tax collector for a certificate of



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185 title. Except as otherwise provided in ss. 328.045, 328.11,
186 328.12, 328.215, 328.23, and 328.24, only an owner may apply for
187 a certificate of title.

188 (2) An application for a certificate of title must be
189 signed by the applicant and contain:

190 (a) The applicant's name, the street address of the
191 applicant's principal residence, and, if different, the
192 applicant's mailing address;

193 (b) The name and mailing address of each other owner of the
194 vessel;

195 (c) The hull identification number for the vessel or, if
196 none, an application for the issuance of a hull identification
197 number for the vessel;

198 (d) The vessel number for the vessel or, if none is issued
199 by the department, an application for a vessel number;

200 (e) A description of the vessel as required by the
201 department, which must include:

202 1. The official number for the vessel, if any, assigned by
203 the United States Coast Guard;

204 2. The name of the manufacturer, builder, or maker;

205 3. The model year or the year in which the manufacture or
206 build of the vessel was completed;

207 4. The overall length of the vessel;

208 5. The vessel type;

209 6. The hull material;

210 7. The propulsion type;

211 8. The engine drive type, if any; and

212 9. The fuel type, if any;

213 (f) An indication of all security interests in the vessel



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214 known to the applicant and the name and mailing address of each
215 secured party;

216 (g) A statement that the vessel is not a documented vessel
217 or a foreign-documented vessel;

218 (h) Any title brand known to the applicant and, if known,
219 the jurisdiction under whose law the title brand was created;

220 (i) If the applicant knows that the vessel is hull damaged,
221 a statement that the vessel is hull damaged;

222 (j) If the application is made in connection with a
223 transfer of ownership, the transferor's name, street address,
224 and, if different, mailing address, the sales price, if any, and
225 the date of the transfer; and

226 (k) If the vessel was previously registered or titled in
227 another jurisdiction, a statement identifying each jurisdiction
228 known to the applicant in which the vessel was registered or
229 titled.

230 (3) In addition to the information required by subsection
231 (2), an application for a certificate of title may contain an
232 electronic address of the owner, transferor, or secured party.

233 (4) Except as otherwise provided in s. 328.11, s. 328.215,
234 s. 328.23, or s. 328.24, an application for a certificate of
235 title must be accompanied by:

236 (a) A certificate of title signed by the owner shown on the
237 certificate and which:

238 1. Identifies the applicant as the owner of the vessel; or
239 2. Is accompanied by a record that identifies the applicant
240 as the owner; or

241 (b) If there is no certificate of title:

242 1. If the vessel was a documented vessel, a record issued



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243 by the United States Coast Guard which shows the vessel is no
244 longer a documented vessel and identifies the applicant as the
245 owner;

246 2. If the vessel was a foreign-documented vessel, a record
247 issued by the foreign country which shows the vessel is no
248 longer a foreign-documented vessel and identifies the applicant
249 as the owner; or

250 3. In all other cases, a certificate of origin, bill of
251 sale, or other record that to the satisfaction of the department
252 identifies the applicant as the owner.

253 (5) A record submitted in connection with an application is
254 part of the application. The department shall maintain the
255 record in its files.

256 (6) The department may require that an application for a
257 certificate of title be accompanied by payment or evidence of
258 payment of all fees and taxes payable by the applicant under the
259 laws of this state, other than this part, in connection with the
260 application or the acquisition or use of the vessel ~~The~~
261 ~~application shall include the true name of the owner, the~~
262 ~~residence or business address of the owner, and the complete~~
263 ~~description of the vessel, including the hull identification~~
264 ~~number, except that an application for a certificate of title~~
265 ~~for a homemade vessel shall state all the foregoing information~~
266 ~~except the hull identification number.~~

267 (7) (a) The application shall be signed by the owner and
268 shall be accompanied by personal or business identification and
269 the prescribed fee. An individual applicant must provide a valid
270 driver license or identification card issued by this state or
271 another state or a valid passport. A business applicant must



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272 provide a federal employer identification number, if applicable,
273 verification that the business is authorized to conduct business
274 in the state, or a Florida city or county business license or
275 number.

276 (b) The owner of an undocumented vessel that is exempt from
277 titling may apply to the county tax collector for a certificate
278 of title by filing an application accompanied by the prescribed
279 fee.

280 ~~(2)(a) The owner of a manufactured vessel that was~~
281 ~~initially sold in this state for which vessel an application for~~
282 ~~an initial title is made shall establish proof of ownership by~~
283 ~~submitting with the application the original copy of the~~
284 ~~manufacturer's statement of origin for that vessel.~~

285 ~~(b) The owner of a manufactured vessel that was initially~~
286 ~~sold in another state or country for which vessel an application~~
287 ~~for an initial title is made shall establish proof of ownership~~
288 ~~by submitting with the application:~~

289 ~~1. The original copy of the manufacturer's statement of~~
290 ~~origin if the vessel was initially sold or manufactured in a~~
291 ~~state or country requiring the issuance of such a statement or~~
292 ~~the original copy of the executed bill of sale if the vessel was~~
293 ~~initially sold or manufactured in a state or country not~~
294 ~~requiring the issuance of a manufacturer's statement of origin;~~
295 ~~and~~

296 ~~2. The most recent certificate of registration for the~~
297 ~~vessel, if such a certificate was issued.~~

298 ~~(c) In making application for an initial title, the owner~~
299 ~~of a homemade vessel shall establish proof of ownership by~~
300 ~~submitting with the application:~~



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301 ~~1. A notarized statement of the builder or its equivalent,~~
302 ~~whichever is acceptable to the Department of Highway Safety and~~
303 ~~Motor Vehicles, if the vessel is less than 16 feet in length; or~~

304 ~~2. A certificate of inspection from the Fish and Wildlife~~
305 ~~Conservation Commission and a notarized statement of the builder~~
306 ~~or its equivalent, whichever is acceptable to the Department of~~
307 ~~Highway Safety and Motor Vehicles, if the vessel is 16 feet or~~
308 ~~more in length.~~

309 ~~(d) The owner of a nontitled vessel registered or~~
310 ~~previously registered in another state or country for which an~~
311 ~~application for title is made in this state shall establish~~
312 ~~proof of ownership by surrendering, with the submission of the~~
313 ~~application, the original copy of the most current certificate~~
314 ~~of registration issued by the other state or country.~~

315 ~~(e) The owner of a vessel titled in another state or~~
316 ~~country for which an application for title is made in this state~~
317 ~~shall not be issued a title unless and until all existing titles~~
318 ~~to the vessel are surrendered to the Department of Highway~~
319 ~~Safety and Motor Vehicles. The department shall retain the~~
320 ~~evidence of title which is presented by the applicant and on the~~
321 ~~basis of which the certificate of title is issued. The~~
322 ~~department shall use reasonable diligence in ascertaining~~
323 ~~whether the facts in the application are true; and, if satisfied~~
324 ~~that the applicant is the owner of the vessel and that the~~
325 ~~application is in the proper form, the department shall issue a~~
326 ~~certificate of title.~~

327 ~~(f) In making application for the titling of a vessel~~
328 ~~previously documented by the Federal Government, the current~~
329 ~~owner shall establish proof of ownership by submitting with the~~



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330 ~~application a copy of the canceled documentation papers or a~~
331 ~~properly executed release from documentation certificate~~
332 ~~provided by the United States Coast Guard. In the event such~~
333 ~~documentation papers or certification are in the name of a~~
334 ~~person other than the current owner, the current owner shall~~
335 ~~provide the original copy of all subsequently executed bills of~~
336 ~~sale applicable to the vessel.~~

337 ~~(3) (a) In making application for a title upon transfer of~~
338 ~~ownership of a vessel, the new owner shall surrender to the~~
339 ~~Department of Highway Safety and Motor Vehicles the last title~~
340 ~~document issued for that vessel. The document shall be properly~~
341 ~~executed. Proper execution includes, but is not limited to, the~~
342 ~~previous owner's signature and certification that the vessel to~~
343 ~~be transferred is debt-free or is subject to a lien. If a lien~~
344 ~~exists, the previous owner shall furnish the new owner, on forms~~
345 ~~supplied by the Department of Highway Safety and Motor Vehicles,~~
346 ~~the names and addresses of all lienholders and the dates of all~~
347 ~~liens, together with a statement from each lienholder that the~~
348 ~~lienholder has knowledge of and consents to the transfer of~~
349 ~~title to the new owner.~~

350 ~~(b) If the application for transfer of title is based upon~~
351 ~~a contractual default, the recorded lienholder shall establish~~
352 ~~proof of right to ownership by submitting with the application~~
353 ~~the original certificate of title and a copy of the applicable~~
354 ~~contract upon which the claim of ownership is made. If the claim~~
355 ~~is based upon a court order or judgment, a copy of such document~~
356 ~~shall accompany the application for transfer of title. If, on~~
357 ~~the basis of departmental records, there appears to be any other~~
358 ~~lien on the vessel, the certificate of title must contain a~~



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359 ~~statement of such a lien, unless the application for a~~
360 ~~certificate of title is either accompanied by proper evidence of~~
361 ~~the satisfaction or extinction of the lien or contains a~~
362 ~~statement certifying that any lienholder named on the last-~~
363 ~~issued certificate of title has been sent notice by certified~~
364 ~~mail, at least 5 days before the application was filed, of the~~
365 ~~applicant's intention to seek a repossessed title. If such~~
366 ~~notice is given and no written protest to the department is~~
367 ~~presented by a subsequent lienholder within 15 days after the~~
368 ~~date on which the notice was mailed, the certificate of title~~
369 ~~shall be issued showing no liens. If the former owner or any~~
370 ~~subsequent lienholder files a written protest under oath within~~
371 ~~the 15-day period, the department shall not issue the~~
372 ~~repossessed certificate for 10 days thereafter. If, within the~~
373 ~~10-day period, no injunction or other order of a court of~~
374 ~~competent jurisdiction has been served on the department~~
375 ~~commanding it not to deliver the certificate, the department~~
376 ~~shall deliver the repossessed certificate to the applicant, or~~
377 ~~as is otherwise directed in the application, showing no other~~
378 ~~liens than those shown in the application.~~

379 ~~(c) In making application for transfer of title from a~~
380 ~~deceased titled owner, the new owner or surviving coowner shall~~
381 ~~establish proof of ownership by submitting with the application~~
382 ~~the original certificate of title and the decedent's probated~~
383 ~~last will and testament or letters of administration appointing~~
384 ~~the personal representative of the decedent. In lieu of a~~
385 ~~probated last will and testament or letters of administration, a~~
386 ~~copy of the decedent's death certificate, a copy of the~~
387 ~~decedent's last will and testament, and an affidavit by the~~



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388 ~~decedent's surviving spouse or heirs affirming rights of~~
389 ~~ownership may be accepted by the department. If the decedent~~
390 ~~died intestate, a court order awarding the ownership of the~~
391 ~~vessel or an affidavit by the decedent's surviving spouse or~~
392 ~~heirs establishing or releasing all rights of ownership and a~~
393 ~~copy of the decedent's death certificate shall be submitted to~~
394 ~~the department.~~

395 (c) ~~(d)~~ An owner or coowner who has made a bona fide sale or
396 transfer of a vessel and has delivered possession thereof to a
397 purchaser shall not, by reason of any of the provisions of this
398 chapter, be considered the owner or coowner of the vessel so as
399 to be subject to civil liability for the operation of the vessel
400 thereafter by another if the owner or coowner has fulfilled
401 either of the following requirements:

402 1. The owner or coowner has delivered to the department, or
403 has placed in the United States mail, addressed to the
404 department, either the certificate of title, properly endorsed,
405 or a notice in the form prescribed by the department; or

406 2. The owner or coowner has made proper endorsement and
407 delivery of the certificate of title as provided by this
408 chapter. As used in this subparagraph, the term "proper
409 endorsement" means:

410 a. The signature of one coowner if the vessel is held in
411 joint tenancy, signified by the vessel's being registered in the
412 names of two or more persons as coowners in the alternative by
413 the use of the word "or." In a joint tenancy, each coowner is
414 considered to have granted to each of the other coowners the
415 absolute right to dispose of the title and interest in the
416 vessel, and, upon the death of a coowner, the interest of the



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417 decedent in the jointly held vessel passes to the surviving
418 coowner or coowners. This sub-subparagraph is applicable even if
419 the coowners are husband and wife; or

420 b. The signatures of every coowner or of the respective
421 personal representatives of the coowners if the vessel is
422 registered in the names of two or more persons as coowners in
423 the conjunctive by the use of the word "and."

424

425 The department shall adopt suitable language that must appear
426 upon the certificate of title to effectuate the manner in which
427 the interest in or title to the vessel is held.

428 (8)~~(4)~~ If the owner cannot furnish the department ~~of~~
429 ~~Highway Safety and Motor Vehicles~~ with all the required
430 ownership documentation, the department may, at its discretion,
431 issue a title conditioned on the owner's agreement to indemnify
432 the department and its agents and defend the title against all
433 claims or actions arising out of such issuance.

434 (9)~~(5)~~ (a) An application for an initial title or a title
435 transfer shall include payment of the applicable state sales tax
436 or proof of payment of such tax.

437 (b) An application for a title transfer between
438 individuals, which transfer is not exempt from the payment of
439 sales tax, shall include payment of the appropriate sales tax
440 payable on the selling price for the complete vessel rig, which
441 includes the vessel and its motor, trailer, and accessories, if
442 any. If the applicant submits with his or her application an
443 itemized, properly executed bill of sale which separately
444 describes and itemizes the prices paid for each component of the
445 rig, only the vessel and trailer will be subject to the sales



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446 tax.

447 ~~(10)(6)~~ The department of ~~Highway Safety and Motor Vehicles~~
448 shall prescribe and provide suitable forms for applications,
449 certificates of title, notices of security interests, and other
450 notices and forms necessary to carry out the provisions of this
451 chapter.

452 Section 4. Section 328.015, Florida Statutes, is created to
453 read:

454 328.015 Duties and operation of the department.—

455 (1) The department shall retain the evidence used to
456 establish the accuracy of the information in its files relating
457 to the current ownership of a vessel and the information on the
458 certificate of title.

459 (2) The department shall retain in its files all
460 information regarding a security interest in a vessel for at
461 least 10 years after the department receives a termination
462 statement regarding the security interest. The information must
463 be accessible by the hull identification number for the vessel
464 and any other methods provided by the department.

465 (3) If a person submits a record to the department, or
466 submits information that is accepted by the department, and
467 requests an acknowledgment of the filing or submission, the
468 department shall send to the person an acknowledgment showing
469 the hull identification number of the vessel to which the record
470 or submission relates, the information in the filed record or
471 submission, and the date and time the record was received or the
472 submission was accepted. A request under this section must
473 contain the hull identification number and be delivered by means
474 authorized by the department.



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475 (4) The department shall send or otherwise make available
476 in a record the following information to any person who requests
477 it and pays the applicable fee:

478 (a) Whether the files of the department indicate, as of a
479 date and time specified by the department, but not a date
480 earlier than 3 days before the department received the request,
481 any certificate of title, security interest, termination
482 statement, or title brand that relates to a vessel:

483 1. Identified by a hull identification number designated in
484 the request;

485 2. Identified by a vessel number designated in the request;

486 or

487 3. Owned by a person designated in the request;

488 (b) With respect to the vessel:

489 1. The name and address of any owner as indicated in the
490 files of the department or on the certificate of title;

491 2. The name and address of any secured party as indicated
492 in the files of the department or on the certificate, and the
493 effective date of the information; and

494 3. A copy of any termination statement indicated in the
495 files of the department and the effective date of the
496 termination statement; and

497 (c) With respect to the vessel, a copy of any certificate
498 of origin, secured party transfer statement, transfer-by-law
499 statement under s. 328.24, and other evidence of previous or
500 current transfers of ownership.

501 (5) In responding to a request under this section, the
502 department may provide the requested information in any medium.
503 On request, the department shall send the requested information



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504 in a record that is self-authenticating.

505 Section 5. Section 328.02, Florida Statutes, is created to
506 read:

507 328.02 Law governing vessel covered by certificate of
508 title.-

509 (1) The law of the state under which a vessel's certificate
510 of title is covered governs all issues relating to the
511 certificate from the time the vessel becomes covered by the
512 certificate until the vessel becomes covered by another
513 certificate or becomes a documented vessel, even if no other
514 relationship exists between the state and the vessel or its
515 owner.

516 (2) A vessel becomes covered by a certificate of title when
517 an application for the certificate and the applicable fee are
518 delivered to the department in accordance with this part or to
519 the governmental agency that creates a certificate in another
520 jurisdiction in accordance with the law of that jurisdiction.

521 Section 6. Section 328.03, Florida Statutes, is amended to
522 read:

523 328.03 Certificate of title required.-

524 (1) Except as otherwise provided in subsections (2) and
525 (3), each vessel that is operated, used, or stored on the waters
526 of this state must be titled by this state pursuant to this
527 part, and the owner of a vessel for which this state is the
528 state of principal use shall deliver to the department an
529 application for a certificate of title for the vessel, with the
530 applicable fee, not later than 30 days after the later of:

531 (a) The date of a transfer of ownership; or

532 (b) The date this state becomes the state of principal use.



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533 (2) An application for a certificate of title is not
534 required for chapter, unless it is:
535 (a) A documented vessel;
536 (b) A foreign-documented vessel;
537 (c) A barge;
538 (d) A vessel before delivery if the vessel is under
539 construction or completed pursuant to contract;
540 (e) A vessel held by a dealer for sale or lease;
541 (f) A vessel used solely for demonstration, testing, or
542 sales promotional purposes by the manufacturer or dealer;
543 (g)-(a) A vessel operated, used, or stored exclusively on
544 private lakes and ponds;
545 (h)-(b) A vessel owned by the United States Government;
546 ~~(c) A non-motor-powered vessel less than 16 feet in length;~~
547 ~~(d) A federally documented vessel;~~
548 (i)-(e) A vessel already covered by a registration number in
549 full force and effect which was awarded to it pursuant to a
550 federally approved numbering system of another state or by the
551 United States Coast Guard in a state without a federally
552 approved numbering system, if the vessel is not located in this
553 state for a period in excess of 90 consecutive days; or
554 (j)-(f) A vessel from a country other than the United States
555 temporarily used, operated, or stored on the waters of this
556 state for a period that is not in excess of 90 days;
557 ~~(g) An amphibious vessel for which a vehicle title is~~
558 ~~issued by the Department of Highway Safety and Motor Vehicles;~~
559 ~~(h) A vessel used solely for demonstration, testing, or~~
560 ~~sales promotional purposes by the manufacturer or dealer; or~~
561 ~~(i) A vessel owned and operated by the state or a political~~



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562 ~~subdivision thereof.~~

563 (3) The department may not issue, transfer, or renew a
564 number issued to a vessel pursuant to the requirements of 46
565 U.S.C. s. 12301 unless the department has created a certificate
566 of title for the vessel or an application for a certificate for
567 the vessel and the applicable fee have been delivered to the
568 department.

569 ~~(2) A person shall not operate, use, or store a vessel for~~
570 ~~which a certificate of title is required unless the owner has~~
571 ~~received from the Department of Highway Safety and Motor~~
572 ~~Vehicles a valid certificate of title for such vessel. However,~~
573 ~~such vessel may be operated, used, or stored for a period of up~~
574 ~~to 180 days after the date of application for a certificate of~~
575 ~~title while the application is pending.~~

576 ~~(3) A person shall not sell, assign, or transfer a vessel~~
577 ~~titled by the state without delivering to the purchaser or~~
578 ~~transferee a valid certificate of title with an assignment on it~~
579 ~~showing the transfer of title to the purchaser or transferee. A~~
580 ~~person shall not purchase or otherwise acquire a vessel required~~
581 ~~to be titled by the state without obtaining a certificate of~~
582 ~~title for the vessel in his or her name. The purchaser or~~
583 ~~transferee shall, within 30 days after a change in vessel~~
584 ~~ownership, file an application for a title transfer with the~~
585 ~~county tax collector.~~

586 (4) An additional \$10 fee shall be charged against the
587 purchaser or transferee if he or she files a title transfer
588 application after the 30-day period. The county tax collector
589 shall be entitled to retain \$5 of the additional amount.

590 (5)~~(4)~~ A certificate of title is prima facie evidence of of



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591 the accuracy of the information in the record that constitutes
592 the certificate and of the ownership of the vessel. A
593 certificate of title is good for the life of the vessel so long
594 as the certificate is owned or held by the legal holder. If a
595 titled vessel is destroyed or abandoned, the owner, with the
596 consent of any recorded lienholders, shall, within 30 days after
597 the destruction or abandonment, surrender to the department for
598 cancellation any and all title documents. If a titled vessel is
599 insured and the insurer has paid the owner for the total loss of
600 the vessel, the insurer shall obtain the title to the vessel
601 and, within 30 days after receiving the title, forward the title
602 to the department ~~of Highway Safety and Motor Vehicles~~ for
603 cancellation. The insurer may retain the certificate of title
604 when payment for the loss was made because of the theft of the
605 vessel.

606 (6)~~(5)~~ The department ~~of Highway Safety and Motor Vehicles~~
607 shall provide labeled places on the title where the seller's
608 price shall be indicated when a vessel is sold and where a
609 selling dealer shall record his or her valid sales tax
610 certificate of registration number.

611 (7)~~(6)~~(a) The department ~~of Highway Safety and Motor~~
612 ~~Vehicles~~ shall charge a fee of \$5.25 for issuing each
613 certificate of title. The tax collector shall be entitled to
614 retain \$3.75 of the fee.

615 (b) ~~Beginning July 1, 1996,~~ The department ~~of Highway~~
616 ~~Safety and Motor Vehicles~~ shall use security procedures,
617 processes, and materials in the preparation and issuance of each
618 certificate of title to prohibit, to the extent possible, a
619 person's ability to alter, counterfeit, duplicate, or modify the



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620 certificate.

621 (8) ~~(7)~~ The department ~~of Highway Safety and Motor Vehicles~~
622 shall charge a fee of \$4 in addition to that charged in
623 subsection (7) ~~(6)~~ for each initial certificate of title issued
624 for a vessel previously registered outside this state.

625 (9) ~~(8)~~ The department ~~of Highway Safety and Motor Vehicles~~
626 shall make regulations necessary and convenient to carry out the
627 provisions of this chapter.

628 Section 7. Section 328.04, Florida Statutes, is created to
629 read:

630 328.04 Content of certificate of title.-

631 (1) A certificate of title must contain:

632 (a) The date the certificate was created;

633 (b) The name of the owner of record and, if not all owners
634 are listed, an indication that there are additional owners
635 indicated in the files of the department;

636 (c) The mailing address of the owner of record;

637 (d) The hull identification number;

638 (e) The information listed in s. 328.01(2) (e);

639 (f) Except as otherwise provided in s. 328.12(2), the name
640 and mailing address of the secured party of record, if any, and
641 if not all secured parties are listed, an indication that there
642 are other security interests indicated in the files of the
643 department; and

644 (g) All title brands indicated in the files of the
645 department covering the vessel, including brands indicated on a
646 certificate created by a governmental agency of another
647 jurisdiction and delivered to the department.

648 (2) This part does not preclude the department from noting



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649 on a certificate of title the name and mailing address of a
650 secured party that is not a secured party of record.

651 (3) For each title brand indicated on a certificate of
652 title, the certificate must identify the jurisdiction under
653 whose law the title brand was created or the jurisdiction that
654 created the certificate on which the title brand was indicated.
655 If the meaning of a title brand is not easily ascertainable or
656 cannot be accommodated on the certificate, the certificate may
657 state: "Previously branded in (insert the jurisdiction under
658 whose law the title brand was created or whose certificate of
659 title previously indicated the title brand)."

660 (4) If the files of the department indicate that a vessel
661 was previously registered or titled in a foreign country, the
662 department shall indicate on the certificate of title that the
663 vessel was registered or titled in that country.

664 (5) A written certificate of title must contain a form that
665 all owners indicated on the certificate may sign to evidence
666 consent to a transfer of an ownership interest to another
667 person. The form must include a certification, signed under
668 penalty of perjury, that the statements made are true and
669 correct to the best of each owner's knowledge, information, and
670 belief.

671 (6) A written certificate of title must contain a form for
672 the owner of record to indicate, in connection with a transfer
673 of an ownership interest, that the vessel is hull damaged.

674 Section 8. Section 328.045, Florida Statutes, is created to
675 read:

676 328.045 Title brands.—

677 (1) Unless subsection (3) applies, at or before the time



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678 the owner of record transfers an ownership interest in a hull-
679 damaged vessel that is covered by a certificate of title created
680 by the department, if the damage occurred while that person was
681 an owner of the vessel and the person has notice of the damage
682 at the time of the transfer, the owner shall:

683 (a) Deliver to the department an application for a new
684 certificate that complies with s. 328.01 and includes the title
685 brand designation "Hull Damaged"; or

686 (b) Indicate on the certificate in the place designated for
687 that purpose that the vessel is hull damaged and deliver the
688 certificate to the transferee.

689 (2) Not later than 30 days after delivery of the
690 application under paragraph (1)(a) or the certificate of title
691 under paragraph (1)(b), the department shall create a new
692 certificate that indicates that the vessel is branded "Hull
693 Damaged."

694 (3) Before an insurer transfers an ownership interest in a
695 hull-damaged vessel that is covered by a certificate of title
696 created by the department, the insurer shall deliver to the
697 department an application for a new certificate that complies
698 with s. 328.01 and includes the title brand designation "Hull
699 Damaged." Not later than 30 days after delivery of the
700 application to the department, the department shall create a new
701 certificate that indicates that the vessel is branded "Hull
702 Damaged."

703 (4) An owner of record who fails to comply with subsection
704 (1), a person who solicits or colludes in a failure by an owner
705 of record to comply with subsection (1), or an insurer that
706 fails to comply with subsection (3) commits a noncriminal



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707 infraction under s. 327.73(1) for which the penalty is \$5,000
708 for the first offense, \$15,000 for a second offense, and \$25,000
709 for each subsequent offense.

710 Section 9. Section 328.055, Florida Statutes, is created to
711 read:

712 328.055 Maintenance of and access to files.—

713 (1) For each record relating to a certificate of title
714 submitted to the department, the department shall:

715 (a) Ascertain or assign the hull identification number for
716 the vessel;

717 (b) Maintain the hull identification number and all the
718 information submitted with the application pursuant to s.
719 328.01(2) to which the record relates, including the date and
720 time the record was delivered to the department;

721 (c) Maintain the files for public inspection subject to
722 subsection (5); and

723 (d) Index the files of the department as required by
724 subsection (2).

725 (2) The department shall maintain in its files the
726 information contained in all certificates of title created under
727 this part. The information in the files of the department must
728 be searchable by the hull identification number of the vessel,
729 the vessel number, the name of the owner of record, and any
730 other method used by the department.

731 (3) The department shall maintain in its files, for each
732 vessel for which it has created a certificate of title, all
733 title brands known to the department, the name of each secured
734 party known to the department, the name of each person known to
735 the department to be claiming an ownership interest, and all



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736 stolen property reports the department has received.

737 (4) Upon request, for safety, security, or law enforcement
738 purposes, the department shall provide to federal, state, or
739 local government the information in its files relating to any
740 vessel for which the department has issued a certificate of
741 title.

742 (5) Except as otherwise provided by the laws of this state,
743 other than this part, the information required under s. 328.04
744 is a public record.

745 Section 10. Section 328.06, Florida Statutes, is created to
746 read:

747 328.06 Action required on creation of certificate of
748 title.-

749 (1) On creation of a written certificate of title, the
750 department shall promptly send the certificate to the secured
751 party of record or, if none, to the owner of record at the
752 address indicated for that person in the files of the
753 department. On creation of an electronic certificate of title,
754 the department shall promptly send a record evidencing the
755 certificate to the owner of record and, if there is one, to the
756 secured party of record at the address indicated for each person
757 in the files of the department. The department may send the
758 record to the person's mailing address or, if indicated in the
759 files of the department, an electronic address.

760 (2) If the department creates a written certificate of
761 title, any electronic certificate of title for the vessel is
762 canceled and replaced by the written certificate. The department
763 shall maintain in the files of the department the date and time
764 of cancellation.



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765 (3) Before the department creates an electronic certificate
766 of title, any written certificate for the vessel must be
767 surrendered to the department. If the department creates an
768 electronic certificate, the department shall destroy or
769 otherwise cancel the written certificate for the vessel which
770 has been surrendered to the department and maintain in the files
771 of the department the date and time of destruction or other
772 cancellation. If a written certificate being canceled is not
773 destroyed, the department shall indicate on the face of the
774 certificate that it has been canceled.

775 Section 11. Section 328.065, Florida Statutes, is created
776 to read:

777 328.065 Effect of possession of certificate of title;
778 judicial process.—Possession of a certificate of title does not
779 by itself provide a right to obtain possession of a vessel.
780 Garnishment, attachment, levy, replevin, or other judicial
781 process against the certificate is not effective to determine
782 possessory rights to the vessel. This part does not prohibit
783 enforcement under the laws of this state of a security interest
784 in, levy on, or foreclosure of a statutory or common-law lien on
785 a vessel. Absence of an indication of a statutory or common-law
786 lien on a certificate does not invalidate the lien.

787 Section 12. Section 328.09, Florida Statutes, is amended to
788 read:

789 (Substantial rewording of section. See
790 s. 328.09, F.S., for present text.)

791 328.09 Refusal to issue and authority to cancel a
792 certificate of title or registration.—

793 (1) Unless an application for a certificate of title is



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794 rejected under subsection (3) or subsection (4), the department
795 shall create a certificate for the vessel in accordance with
796 subsection (2) not later than 30 days after delivery to the
797 department of an application that complies with s. 328.01.

798 (2) If the department creates electronic certificates of
799 title, the department shall create an electronic certificate
800 unless in the application the secured party of record or, if
801 none, the owner of record requests that the department create a
802 written certificate.

803 (3) Except as otherwise provided in subsection (4), the
804 department may reject an application for a certificate of title
805 only if:

806 (a) The application does not comply with s. 328.01;

807 (b) The application does not contain documentation
808 sufficient for the department to determine whether the applicant
809 is entitled to a certificate;

810 (c) There is a reasonable basis for concluding that the
811 application is fraudulent or issuance of a certificate would
812 facilitate a fraudulent or illegal act; or

813 (d) The application does not comply with the laws of this
814 state other than this part.

815 (4) The department shall reject an application for a
816 certificate of title for a vessel that is a documented vessel or
817 a foreign-documented vessel.

818 (5) The department may cancel a certificate of title
819 created by it only if the department:

820 (a) Could have rejected the application for the certificate
821 under subsection (3);

822 (b) Is required to cancel the certificate under another



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823 provision of this part; or

824 (c) Receives satisfactory evidence that the vessel is a
825 documented vessel or a foreign-documented vessel.

826 (6) The decision by the department to reject an application
827 for a certificate of title or cancel a certificate of title
828 pursuant to this section is subject to a hearing pursuant to ss.
829 120.569 and 120.57 at which the owner and any other interested
830 party may present evidence in support of or opposition to the
831 rejection of the application for a certificate of title or the
832 cancellation of a certificate of title.

833 Section 13. Section 328.101, Florida Statutes, is created
834 to read:

835 328.101 Effect of missing or incorrect information.—Except
836 as otherwise provided in s. 679.337, a certificate of title or
837 other record required or authorized by this part is effective
838 even if it contains unintended scrivener's errors or does not
839 contain certain required information if such missing information
840 is determined by the department to be inconsequential to the
841 issuing of a certificate of title or other record.

842 Section 14. Section 328.11, Florida Statutes, is amended to
843 read:

844 328.11 Duplicate certificate of title.—

845 (1) If a written certificate of title is lost, stolen,
846 mutilated, destroyed, or otherwise becomes unavailable or
847 illegible, the secured party of record or, if no secured party
848 is indicated in the files of the department, the owner of record
849 may apply for and, by furnishing information satisfactory to the
850 department, obtain a duplicate certificate in the name of the
851 owner of record.



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852 (2) An applicant for a duplicate certificate of title must
853 sign the application, and, except as otherwise permitted by the
854 department, the application must comply with s. 328.01. The
855 application must include the existing certificate unless the
856 certificate is lost, stolen, mutilated, destroyed, or otherwise
857 unavailable.

858 (3) A duplicate certificate of title created by the
859 department must comply with s. 328.04 and indicate on the face
860 of the certificate that it is a duplicate certificate.

861 (4) If a person receiving a duplicate certificate of title
862 subsequently obtains possession of the original written
863 certificate, the person shall promptly destroy the original
864 certificate of title.

865 ~~(5)(1) The Department of Highway Safety and Motor Vehicles~~
866 ~~may issue a duplicate certificate of title upon application by~~
867 ~~the person entitled to hold such a certificate if the department~~
868 ~~is satisfied that the original certificate has been lost,~~
869 ~~destroyed, or mutilated.~~ The department shall charge a fee of \$6
870 for issuing a duplicate certificate.

871 (6)(2) In addition to the fee imposed by subsection (5)
872 ~~(1)~~, the department of Highway Safety and Motor Vehicles shall
873 charge a fee of \$5 for expedited service in issuing a duplicate
874 certificate of title. Application for such expedited service may
875 be made by mail or in person. The department shall issue each
876 certificate of title applied for under this subsection within 5
877 working days after receipt of a proper application or shall
878 refund the additional \$5 fee upon written request by the
879 applicant.

880 ~~(3) If, following the issuance of an original, duplicate,~~



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881 ~~or corrected certificate of title by the department, the~~
882 ~~certificate is lost in transit and is not delivered to the~~
883 ~~addressee, the owner of the vessel or the holder of a lien~~
884 ~~thereon may, within 180 days after the date of issuance of the~~
885 ~~title, apply to the department for reissuance of the certificate~~
886 ~~of title. An additional fee may not be charged for reissuance~~
887 ~~under this subsection.~~

888 (7)~~(4)~~ The department shall implement a system to verify
889 that the application is signed by a person authorized to receive
890 a duplicate title certificate under this section if the address
891 shown on the application is different from the address shown for
892 the applicant on the records of the department.

893 Section 15. Section 328.12, Florida Statutes, is created to
894 read:

895 328.12 Perfection of security interest.—

896 (1) Except as otherwise provided in this section, a
897 security interest in a vessel may be perfected only by delivery
898 to the department of an application for a certificate of title
899 that identifies the secured party and otherwise complies with s.
900 328.01. The security interest is perfected on the later of
901 delivery to the department of the application and the applicable
902 fee or attachment of the security interest under s. 679.2031.

903 (2) If the interest of a person named as owner, lessor,
904 consignor, or bailor in an application for a certificate of
905 title delivered to the department is a security interest, the
906 application sufficiently identifies the person as a secured
907 party. Identification on the application for a certificate of a
908 person as owner, lessor, consignor, or bailor is not by itself a
909 factor in determining whether the person's interest is a



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910 security interest.

911 (3) If the department has created a certificate of title
912 for a vessel, a security interest in the vessel may be perfected
913 by delivery to the department of an application, on a form the
914 department may require, to have the security interest added to
915 the certificate. The application must be signed by an owner of
916 the vessel or by the secured party and must include:

- 917 (a) The name of the owner of record;
918 (b) The name and mailing address of the secured party;
919 (c) The hull identification number for the vessel; and
920 (d) If the department has created a written certificate of
921 title for the vessel, the certificate.

922 (4) A security interest perfected under subsection (3) is
923 perfected on the later of delivery to the department of the
924 application and all applicable fees or attachment of the
925 security interest under s. 679.2031.

926 (5) On delivery of an application that complies with
927 subsection (3) and payment of all applicable fees, the
928 department shall create a new certificate of title pursuant to
929 s. 328.09 and deliver the new certificate or a record evidencing
930 an electronic certificate pursuant to s. 328.06. The department
931 shall maintain in the files of the department the date and time
932 of delivery of the application to the department.

933 (6) If a secured party assigns a perfected security
934 interest in a vessel, the receipt by the department of a
935 statement providing the name of the assignee as secured party is
936 not required to continue the perfected status of the security
937 interest against creditors of and transferees from the original
938 debtor. A purchaser of a vessel subject to a security interest



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939 who obtains a release from the secured party indicated in the
940 files of the department or on the certificate takes free of the
941 security interest and of the rights of a transferee unless the
942 transfer is indicated in the files of the department or on the
943 certificate.

944 (7) This section does not apply to a security interest:

945 (a) Created in a vessel by a person during any period in
946 which the vessel is inventory held for sale or lease by the
947 person or is leased by the person as lessor if the person is in
948 the business of selling vessels;

949 (b) In a barge for which no application for a certificate
950 of title has been delivered to the department; or

951 (c) In a vessel before delivery if the vessel is under
952 construction, or completed, pursuant to contract and for which
953 no application for a certificate has been delivered to the
954 department.

955 (8) This subsection applies if a certificate of
956 documentation for a documented vessel is deleted or canceled. If
957 a security interest in the vessel was valid immediately before
958 deletion or cancellation against a third party as a result of
959 compliance with 46 U.S.C. s. 31321, the security interest is and
960 remains perfected until the earlier of 4 months after
961 cancellation of the certificate or the time the security
962 interest becomes perfected under this part.

963 (9) A security interest in a vessel arising under s.
964 672.401, s. 672.505, s. 672.711(3), or s. 680.508(5) is
965 perfected when it attaches but becomes unperfected when the
966 debtor obtains possession of the vessel, unless the security
967 interest is perfected pursuant to subsection (1) or subsection



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968 (3) before the debtor obtains possession.

969 (10) A security interest in a vessel as proceeds of other
970 collateral is perfected to the extent provided in s. 679.3151.

971 (11) A security interest in a vessel perfected under the
972 law of another jurisdiction is perfected to the extent provided
973 in s. 679.3161(4).

974 Section 16. Section 328.125, Florida Statutes, is created
975 to read:

976 328.125 Termination statement.—

977 (1) A secured party indicated in the files of the
978 department as having a security interest in a vessel shall
979 deliver a termination statement to the department and, on the
980 debtor's request, to the debtor, by the earlier of:

981 (a) Twenty days after the secured party receives a signed
982 demand from an owner for a termination statement and there is no
983 obligation secured by the vessel subject to the security
984 interest and no commitment to make an advance, incur an
985 obligation, or otherwise give value secured by the vessel; or

986 (b) If the vessel is consumer goods, 30 days after there is
987 no obligation secured by the vessel and no commitment to make an
988 advance, incur an obligation, or otherwise give value secured by
989 the vessel.

990 (2) If a written certificate of title has been created and
991 delivered to a secured party and a termination statement is
992 required under subsection (1), the secured party, not later than
993 the date required by subsection (1), shall deliver the
994 certificate to the debtor or to the department with the
995 statement. If the certificate is lost, stolen, mutilated,
996 destroyed, or is otherwise unavailable or illegible, the secured



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997 party shall deliver with the statement, not later than the date
998 required by subsection (1), an application for a duplicate
999 certificate meeting the requirements of s. 328.11.

1000 (3) On delivery to the department of a termination
1001 statement authorized by the secured party, the security interest
1002 to which the statement relates ceases to be perfected. If the
1003 security interest to which the statement relates was indicated
1004 on the certificate of title, the department shall create a new
1005 certificate and deliver the new certificate or a record
1006 evidencing an electronic certificate. The department shall
1007 maintain in its files the date and time of delivery to the
1008 department of the statement.

1009 (4) A secured party that fails to comply with this section
1010 is liable for any loss that the secured party had reason to know
1011 might result from its failure to comply and which could not
1012 reasonably have been prevented and for the cost of an
1013 application for a certificate of title under s. 328.01 or s.
1014 328.11.

1015 Section 17. Section 328.14, Florida Statutes, is created to
1016 read:

1017 328.14 Rights of purchaser other than secured party.-

1018 (1) A buyer in ordinary course of business has the
1019 protections afforded by ss. 672.403(2) and 679.320(1) even if an
1020 existing certificate of title was not signed and delivered to
1021 the buyer or a new certificate listing the buyer as owner of
1022 record was not created.

1023 (2) Except as otherwise provided in ss. 328.145 and 328.22,
1024 the rights of a purchaser of a vessel who is not a buyer in
1025 ordinary course of business or a lien creditor are governed by



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1026 the Uniform Commercial Code.

1027 Section 18. Section 328.145, Florida Statutes, is created
1028 to read:

1029 328.145 Rights of secured party.-

1030 (1) Subject to subsection (2), the effect of perfection and
1031 nonperfection of a security interest and the priority of a
1032 perfected or unperfected security interest with respect to the
1033 rights of a purchaser or creditor, including a lien creditor, is
1034 governed by the Uniform Commercial Code.

1035 (2) If, while a security interest in a vessel is perfected
1036 by any method under this part, the department creates a
1037 certificate of title that does not indicate that the vessel is
1038 subject to the security interest or contain a statement that it
1039 may be subject to security interests not indicated on the
1040 certificate:

1041 (a) A buyer of the vessel, other than a person in the
1042 business of selling or leasing vessels of that kind, takes free
1043 of the security interest if the buyer, acting in good faith and
1044 without knowledge of the security interest, gives value and
1045 receives possession of the vessel; and

1046 (b) The security interest is subordinate to a conflicting
1047 security interest in the vessel that is perfected under s.
1048 328.12 after creation of the certificate and without the
1049 conflicting secured party's knowledge of the security interest.

1050 Section 19. Section 328.15, Florida Statutes, is amended to
1051 read:

1052 328.15 Notice of lien on vessel; recording.-

1053 ~~(1) No lien for purchase money or as security for a debt in~~
1054 ~~the form of retain title contract, conditional bill of sale,~~



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1055 ~~chattel mortgage, or otherwise on a vessel shall be enforceable~~
1056 ~~in any of the courts of this state against creditors or~~
1057 ~~subsequent purchasers for a valuable consideration and without~~
1058 ~~notice unless a sworn notice of such lien is recorded. The lien~~
1059 ~~certificate shall contain the following information:~~

- 1060 ~~(a) Name and address of the registered owner;~~
- 1061 ~~(b) Date of lien;~~
- 1062 ~~(c) Description of the vessel to include make, type, motor~~
1063 ~~and serial number; and~~
- 1064 ~~(d) Name and address of lienholder.~~

1065
1066 ~~The lien shall be recorded by the Department of Highway Safety~~
1067 ~~and Motor Vehicles and shall be effective as constructive notice~~
1068 ~~when filed. The date of filing of the notice of lien is the date~~
1069 ~~of its receipt by the department's central office in~~
1070 ~~Tallahassee, if first filed there, or otherwise by the office of~~
1071 ~~a county tax collector or of the tax collector's agent.~~

1072 ~~(2) (a) The Department of Highway Safety and Motor Vehicles~~
1073 ~~shall not enter any lien upon its lien records, whether it is a~~
1074 ~~first lien or a subordinate lien, unless the official~~
1075 ~~certificate of title issued for the vessel is furnished with the~~
1076 ~~notice of lien, so that the record of lien, whether original or~~
1077 ~~subordinate, may be noted upon the face thereof. After the~~
1078 ~~department records the lien, it shall send the certificate of~~
1079 ~~title to the holder of the first lien who shall hold such~~
1080 ~~certificate until the lien is satisfied in full.~~

1081 ~~(b) When a vessel is registered in the names of two or more~~
1082 ~~persons as coowners in the alternative by the use of the word~~
1083 ~~"or," whether or not the coowners are husband and wife, each~~



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1084 ~~coowner is considered to have granted to any other coowner the~~
1085 ~~absolute right to place a lien or encumbrance on the vessel, and~~
1086 ~~the signature of one coowner constitutes proper execution of the~~
1087 ~~notice of lien. When a vessel is registered in the names of two~~
1088 ~~or more persons as coowners in the conjunctive by the use of the~~
1089 ~~word "and," the signature of each coowner is required in order~~
1090 ~~to place a lien or encumbrance on the vessel.~~

1091 ~~(c) If the owner of the vessel as shown on the title~~
1092 ~~certificate or the director of the state child support~~
1093 ~~enforcement program desires to place a second or subsequent lien~~
1094 ~~or encumbrance against the vessel when the title certificate is~~
1095 ~~in the possession of the first lienholder, the owner shall send~~
1096 ~~a written request to the first lienholder by certified mail and~~
1097 ~~such first lienholder shall forward the certificate to the~~
1098 ~~department for endorsement. The department shall return the~~
1099 ~~certificate to the first lienholder, as indicated in the notice~~
1100 ~~of lien filed by the first lienholder, after endorsing the~~
1101 ~~second or subsequent lien on the certificate and on the~~
1102 ~~duplicate. If the first lienholder fails, neglects, or refuses~~
1103 ~~to forward the certificate of title to the department within 10~~
1104 ~~days after the date of the owner's or the director's request,~~
1105 ~~the department, on written request of the subsequent lienholder~~
1106 ~~or an assignee thereof, shall demand of the first lienholder the~~
1107 ~~return of such certificate for the notation of the second or~~
1108 ~~subsequent lien or encumbrance.~~

1109 ~~(1)(3)~~ Upon the payment of a ~~any such~~ lien, the debtor or
1110 the registered owner of the motorboat shall be entitled to
1111 demand and receive from the lienholder a satisfaction of the
1112 lien which shall likewise be filed with the Department of



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1113 Highway Safety and Motor Vehicles.

1114 ~~(2)-(4)~~ The Department of Highway Safety and Motor Vehicles
1115 under precautionary rules and regulations to be promulgated by
1116 it may permit the use, in substitution of the formal
1117 satisfaction of lien, of other methods of satisfaction, such as
1118 perforation, appropriate stamp, or otherwise, as it deems
1119 reasonable and adequate.

1120 ~~(3)-(5)~~(a) The Department of Highway Safety and Motor
1121 Vehicles shall adopt rules to administer this section. The
1122 department may by rule require that a notice of satisfaction of
1123 a lien be notarized. The department shall prepare the forms of
1124 the notice of lien and the satisfaction of lien to be supplied,
1125 at a charge not to exceed 50 percent more than cost, to
1126 applicants for recording the liens or satisfactions and shall
1127 keep a record of such notices of lien and satisfactions
1128 available for inspection by the public at all reasonable times.
1129 The division may furnish certified copies of such satisfactions
1130 for a fee of \$1, which are admissible in evidence in all courts
1131 of this state under the same conditions and to the same effect
1132 as certified copies of other public records.

1133 (b) The department shall establish and administer an
1134 electronic titling program that requires the recording of vessel
1135 title information for new, transferred, and corrected
1136 certificates of title. Lienholders shall electronically transmit
1137 liens and lien satisfactions to the department in a format
1138 determined by the department. Individuals and lienholders who
1139 the department determines are not normally engaged in the
1140 business or practice of financing vessels are not required to
1141 participate in the electronic titling program.



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1142 ~~(6) The Department of Highway Safety and Motor Vehicles is~~
1143 ~~entitled to a fee of \$1 for the recording of each notice of~~
1144 ~~lien. No fee shall be charged for recording the satisfaction of~~
1145 ~~a lien. All of the fees collected shall be paid into the Marine~~
1146 ~~Resources Conservation Trust Fund.~~

1147 (4)~~(7)~~(a) Should any person, firm, or corporation holding
1148 such lien, which has been recorded by the Department of Highway
1149 Safety and Motor Vehicles, upon payment of such lien and on
1150 demand, fail or refuse, within 30 days after such payment and
1151 demand, to furnish the debtor or the registered owner of such
1152 vessel a satisfaction of the lien, then, in that event, such
1153 person, firm, or corporation shall be held liable for all costs,
1154 damages, and expenses, including reasonable attorney ~~attorney's~~
1155 fees, lawfully incurred by the debtor or the registered owner of
1156 such vessel in any suit which may be brought in the courts of
1157 this state for the cancellation of such lien.

1158 (b) Following satisfaction of a lien, the lienholder shall
1159 enter a satisfaction thereof in the space provided on the face
1160 of the certificate of title. If there are no subsequent liens
1161 shown thereon, the certificate shall be delivered by the
1162 lienholder to the person satisfying the lien or encumbrance and
1163 an executed satisfaction on a form provided by the department
1164 shall be forwarded to the department by the lienholder within 10
1165 days after satisfaction of the lien.

1166 (c) If the certificate of title shows a subsequent lien not
1167 then being discharged, an executed satisfaction of the first
1168 lien shall be delivered by the lienholder to the person
1169 satisfying the lien and the certificate of title showing
1170 satisfaction of the first lien shall be forwarded by the



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1171 lienholder to the department within 10 days after satisfaction
1172 of the lien.

1173 (d) If, upon receipt of a title certificate showing
1174 satisfaction of the first lien, the department determines from
1175 its records that there are no subsequent liens or encumbrances
1176 upon the vessel, the department shall forward to the owner, as
1177 shown on the face of the title, a corrected certificate showing
1178 no liens or encumbrances. If there is a subsequent lien not
1179 being discharged, the certificate of title shall be reissued
1180 showing the second or subsequent lienholder as the first
1181 lienholder and shall be delivered to the new first lienholder.
1182 The first lienholder shall be entitled to retain the certificate
1183 of title until his or her lien is satisfied. Upon satisfaction
1184 of the lien, the lienholder shall be subject to the procedures
1185 required of a first lienholder in this subsection ~~and in~~
1186 ~~subsection (2)~~.

1187 ~~(5)(8)~~ When the original certificate of title cannot be
1188 returned to the department by the lienholder and evidence
1189 satisfactory to the department is produced that all liens or
1190 encumbrances have been satisfied, upon application by the owner
1191 for a duplicate copy of the certificate of title, upon the form
1192 prescribed by the department, accompanied by the fee prescribed
1193 in this chapter, a duplicate copy of the certificate of title
1194 without statement of liens or encumbrances shall be issued by
1195 the department and delivered to the owner.

1196 ~~(6)(9)~~ Any person who fails, within 10 days after receipt
1197 of a demand by the department by certified mail, to return a
1198 certificate of title to the department ~~as required by paragraph~~
1199 ~~(2)(c)~~ or who, upon satisfaction of a lien, fails within 10 days



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1200 after receipt of such demand to forward the appropriate document
1201 to the department as required by paragraph (4) (b) ~~(7) (b)~~ or
1202 paragraph (4) (c) ~~(7) (e)~~ commits a misdemeanor of the second
1203 degree, punishable as provided in s. 775.082 or s. 775.083.

1204 (7) (10) The department shall use the last known address as
1205 shown by its records when sending any notice required by this
1206 section.

1207 (8) (11) If the original lienholder sells and assigns his or
1208 her lien to some other person, and if the assignee desires to
1209 have his or her name substituted on the certificate of title as
1210 the holder of the lien, he or she may, after delivering the
1211 original certificate of title to the department and providing a
1212 sworn statement of the assignment, have his or her name
1213 substituted as a lienholder. Upon substitution of the assignee's
1214 name as lienholder, the department shall deliver the certificate
1215 of title to the assignee as the first lienholder.

1216 (9) Subsections (1), (2), and (4)-(8) shall expire October
1217 1, 2026.

1218 Section 20. Section 328.16, Florida Statutes, is amended to
1219 read:

1220 328.16 Issuance in duplicate; delivery; liens, security
1221 interests, and encumbrances.-

1222 (1) The department shall assign a number to each
1223 certificate of title and shall issue each certificate of title
1224 and each corrected certificate in duplicate. The database record
1225 shall serve as the duplicate title certificate.

1226 (2) An authorized person must sign the original certificate
1227 of title and each corrected certificate and, if there are no
1228 liens, security interests, or encumbrances on the vessel, as



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1229 shown in the records of the department or as shown in the
1230 application, must deliver the certificate to the applicant or to
1231 another person as directed by the applicant or person, agent, or
1232 attorney submitting the application. If there are one or more
1233 liens, security interests, or encumbrances on the vessel, the
1234 department must deliver the certificate to the first lienholder
1235 or secured party as shown by department records. The department
1236 shall deliver to the first lienholder or secured party, along
1237 with the certificate, a form to be subsequently used by the
1238 lienholder or secured party as a satisfaction. If the
1239 application for certificate of title shows the name of a first
1240 lienholder or secured party which is different from the name of
1241 the first lienholder or secured party as shown by the records of
1242 the department, the certificate shall not be issued to any
1243 person until after the department notifies all parties who
1244 appear to hold a lien or a security interest and the applicant
1245 for the certificate, in writing by certified mail. If the
1246 parties do not amicably resolve the conflict within 10 days
1247 after the date the notice was mailed, the department shall serve
1248 notice in writing by certified mail on all persons that appear
1249 to hold liens or security interests on that particular vessel,
1250 including the applicant for the certificate, to show cause
1251 within 15 days after the date the notice is mailed why it should
1252 not issue and deliver the certificate to the secured party of
1253 record or person indicated in the notice of lien filed by the
1254 lienholder whose name appears in the application as the first
1255 lienholder without showing any lien or liens as outstanding
1256 other than those appearing in the application or those filed
1257 subsequent to the filing of the application for the certificate



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1258 of title. If, within the 15-day period, any person other than
1259 the lienholder or secured party of record shown in the
1260 application or a party filing a subsequent lien or security
1261 interest, in answer to the notice to show cause, appears in
1262 person or by a representative, or responds in writing, and files
1263 a written statement under oath that his or her lien or security
1264 interest on that particular vessel is still outstanding, the
1265 department shall not issue the certificate to anyone until after
1266 the conflict has been settled by the lien or security interest
1267 claimants involved or by a court of competent jurisdiction. If
1268 the conflict is not settled amicably within 10 days after the
1269 final date for filing an answer to the notice to show cause, the
1270 complaining party shall have 10 days to obtain a ruling, or a
1271 stay order, from a court of competent jurisdiction. If a ruling
1272 or stay order is not issued and served on the department within
1273 the 10-day period, the department shall issue the certificate
1274 showing no liens or security interests, except those shown in
1275 the application or thereafter filed, to the original applicant
1276 if there are no liens or security interests shown in the
1277 application and none are thereafter filed, or to the person
1278 indicated as the secured party of record or in the notice of
1279 lien filed by the lienholder whose name appears in the
1280 application as the first lienholder if there are liens shown in
1281 the application or thereafter filed. A duplicate certificate or
1282 corrected certificate must show only such security interest or
1283 interests or lien or liens as were shown in the application and
1284 subsequently filed liens or security interests that may be
1285 outstanding.

1286 (3) ~~Except as provided in s. 328.15(11),~~ The certificate of



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1287 title shall be retained by the first lienholder or secured party
1288 of record. The first lienholder or secured party of record is
1289 entitled to retain the certificate until the first lien or
1290 security interest is satisfied.

1291 (4) Notwithstanding any requirements in this section ~~or in~~
1292 ~~s. 328.15~~ indicating that a lien or security interest on a
1293 vessel shall be noted on the face of the Florida certificate of
1294 title, if there are one or more liens, security interests, or
1295 encumbrances on a vessel, the department shall electronically
1296 transmit the lien or security interest to the first lienholder
1297 or secured party and notify the first lienholder or secured
1298 party of any additional liens or security interests. Subsequent
1299 lien or security interest satisfactions shall be electronically
1300 transmitted to the department and must include the name and
1301 address of the person or entity satisfying the lien or security
1302 interest. When electronic transmission of liens or security
1303 interests and lien satisfactions or security interests are used,
1304 the issuance of a certificate of title may be waived until the
1305 last lien or security interest is satisfied and a clear
1306 certificate of title is issued to the owner of the vessel.

1307 (5) The owner of a vessel, upon which a lien or security
1308 interest has been filed with the department or noted upon a
1309 certificate of title for a period of 5 years, may apply to the
1310 department in writing for such lien or security interest to be
1311 removed from the department files or from the certificate of
1312 title. The application must be accompanied by evidence
1313 satisfactory to the department that the applicant has notified
1314 the lienholder or secured party by certified mail, not less than
1315 20 days before ~~prior to~~ the date of the application, of his or



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1316 her intention to apply to the department for removal of the lien
1317 or security interest. Ten days after receipt of the application,
1318 the department may remove the lien or security interest from its
1319 files or from the certificate of title, as the case may be, if
1320 no statement in writing protesting removal of the lien or
1321 security interest is received by the department from the
1322 lienholder or secured party within the 10-day period. However,
1323 if the lienholder or secured party files with the department,
1324 within the 10-day period, a written statement that the lien or
1325 security interest is still outstanding, the department may not
1326 remove the lien or security interest until the lienholder or
1327 secured party presents a satisfaction of lien or satisfaction of
1328 security interest to the department.

1329 Section 21. Subsection (1) of section 328.165, Florida
1330 Statutes, is amended to read:

1331 328.165 Cancellation of certificates.—

1332 (1) If it appears that a certificate of title has been
1333 improperly issued, the department shall cancel the certificate.
1334 Upon cancellation of any certificate of title, the department
1335 shall notify the person to whom the certificate of title was
1336 issued, and any lienholders or secured parties appearing
1337 thereon, of the cancellation and shall demand the surrender of
1338 the certificate of title; however, the cancellation does not
1339 affect the validity of any lien or security interest noted
1340 thereon. The holder of the certificate of title shall
1341 immediately return it to the department. If a certificate of
1342 registration has been issued to the holder of a certificate of
1343 title so canceled, the department shall immediately cancel the
1344 certificate of registration and demand the return of the



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1345 certificate of registration, and the holder of such certificate
1346 of registration shall immediately return it to the department.

1347 Section 22. Section 328.215, Florida Statutes, is created
1348 to read:

1349 328.215 Application for transfer of ownership or
1350 termination of security interest without certificate of title.-

1351 (1) Except as otherwise provided in s. 328.23 or s. 328.24,
1352 if the department receives, unaccompanied by a signed
1353 certificate of title, an application for a new certificate that
1354 includes an indication of a transfer of ownership or a
1355 termination statement, the department may create a new
1356 certificate under this section only if:

1357 (a) All other requirements under ss. 328.01 and 328.09 are
1358 met;

1359 (b) The applicant provides an affidavit stating facts
1360 showing the applicant is entitled to a transfer of ownership or
1361 termination statement;

1362 (c) The applicant provides the department with satisfactory
1363 evidence that notification of the application has been sent to
1364 the owner of record and all persons indicated in the files of
1365 the department as having an interest, including a security
1366 interest, in the vessel; at least 45 days have passed since the
1367 notification was sent; and the department has not received an
1368 objection from any of those persons; and

1369 (d) The applicant submits any other information required by
1370 the department as evidence of the applicant's ownership or right
1371 to terminate the security interest, and the department has no
1372 credible information indicating theft, fraud, or an undisclosed
1373 or unsatisfied security interest, lien, or other claim to an



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1374 interest in the vessel.

1375 (2) The department may indicate in a certificate of title
1376 created under subsection (1) that the certificate was created
1377 without submission of a signed certificate or termination
1378 statement. Unless credible information indicating theft, fraud,
1379 or an undisclosed or unsatisfied security interest, lien, or
1380 other claim to an interest in the vessel is delivered to the
1381 department not later than 1 year after creation of the
1382 certificate, on request in a form and manner required by the
1383 department, the department shall remove the indication from the
1384 certificate.

1385 (3) Before the department creates a certificate of title
1386 under subsection (1), the department may require the applicant
1387 to post a reasonable bond or provide an equivalent source of
1388 indemnity or security. The bond, indemnity, or other security
1389 must be in a form required by the department and provide for
1390 indemnification of any owner, purchaser, or other claimant for
1391 any expense, loss, delay, or damage, including reasonable
1392 attorney fees and costs, but not including incidental or
1393 consequential damages, resulting from creation or amendment of
1394 the certificate.

1395 (4) Unless the department receives a claim for indemnity
1396 not later than 1 year after creation of a certificate of title
1397 under subsection (1), on request in a form and manner required
1398 by the department, the department shall release any bond,
1399 indemnity, or other security. The department is not liable to a
1400 person or entity for creating a certificate of title under this
1401 section when the department issues the certificate of title in
1402 good faith based on the information provided by an applicant. An



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1403 applicant that submits erroneous or fraudulent information with
1404 the intent to mislead the department into issuing a certificate
1405 of title under this section is subject to the penalties
1406 established in s. 328.045(4) in addition to any other criminal
1407 or civil penalties provided by law.

1408 Section 23. Section 328.22, Florida Statutes, is created to
1409 read:

1410 328.22 Transfer of ownership.—

1411 (1) On voluntary transfer of an ownership interest in a
1412 vessel covered by a certificate of title, the following
1413 requirements apply:

1414 (a) If the certificate is a written certificate of title
1415 and the transferor's interest is noted on the certificate, the
1416 transferor shall promptly sign the certificate and deliver it to
1417 the transferee. If the transferor does not have possession of
1418 the certificate, the person in possession of the certificate has
1419 a duty to facilitate the transferor's compliance with this
1420 paragraph. A secured party does not have a duty to facilitate
1421 the transferor's compliance with this paragraph if the proposed
1422 transfer is prohibited by the security agreement.

1423 (b) If the certificate of title is an electronic
1424 certificate of title, the transferor shall promptly sign by
1425 hand, or electronically if available, and deliver to the
1426 transferee a record evidencing the transfer of ownership to the
1427 transferee.

1428 (c) The transferee has a right enforceable by specific
1429 performance to require the transferor to comply with paragraph
1430 (a) or paragraph (b).

1431 (2) The creation of a certificate of title identifying the



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1432 transferee as owner of record satisfies subsection (1).

1433 (3) A failure to comply with subsection (1) or to apply for
1434 a new certificate of title does not render a transfer of
1435 ownership of a vessel ineffective between the parties. Except as
1436 otherwise provided in s. 328.101, s. 328.14(1), s. 328.145, or
1437 s. 328.23, a transfer of ownership without compliance with
1438 subsection (1) is not effective against another person claiming
1439 an interest in the vessel.

1440 (4) A transferor that complies with subsection (1) is not
1441 liable as owner of the vessel for an event occurring after the
1442 transfer, regardless of whether the transferee applies for a new
1443 certificate of title.

1444 Section 24. Section 328.23, Florida Statutes, is created to
1445 read:

1446 328.23 Transfer of ownership by secured party's transfer
1447 statement.—

1448 (1) For the purposes of this section, "secured party's
1449 transfer statement" means a record signed by the secured party
1450 of record stating:

1451 (a) That there has been a default on an obligation secured
1452 by the vessel;

1453 (b) That the secured party of record is exercising or has
1454 exercised post-default remedies with respect to the vessel;

1455 (c) That by reason of the exercise, the secured party of
1456 record has the right to transfer the ownership interest of an
1457 owner, and the name of the owner;

1458 (d) The name and last known mailing address of the owner of
1459 record and the secured party of record;

1460 (e) The name of the transferee;



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1461 (f) Other information required by s. 328.01(2); and
1462 (g) One of the following:
1463 1. The certificate of title is an electronic certificate.
1464 2. The secured party does not have possession of the
1465 written certificate of title created in the name of the owner of
1466 record.
1467 3. The secured party is delivering the written certificate
1468 of title to the department with the secured party's transfer
1469 statement.
1470 (2) Unless the department rejects a secured party's
1471 transfer statement for a reason stated in s. 328.09(3), not
1472 later than 30 days after delivery to the department of the
1473 statement and payment of fees and taxes payable under the laws
1474 of this state, other than this part, in connection with the
1475 statement or the acquisition or use of the vessel, the
1476 department shall:
1477 (a) Accept the statement;
1478 (b) Amend the files of the department to reflect the
1479 transfer; and
1480 (c) If the name of the owner whose ownership interest is
1481 being transferred is indicated on the certificate of title:
1482 1. Cancel the certificate even if the certificate has not
1483 been delivered to the department;
1484 2. Create a new certificate indicating the transferee as
1485 owner; and
1486 3. Deliver the new certificate or a record evidencing an
1487 electronic certificate.
1488 (3) An application under subsection (1) or the creation of
1489 a certificate of title under subsection (2) is not by itself a



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1490 disposition of the vessel and does not by itself relieve the
1491 secured party of its duties under chapter 679.

1492 Section 25. Section 328.24, Florida Statutes, is created to
1493 read:

1494 328.24 Transfer by operation of law.-

1495 (1) For the purposes of this section, "by operation of law"
1496 means pursuant to a law or judicial order affecting ownership of
1497 a vessel:

1498 (a) Because of death, divorce, or other family law
1499 proceeding, merger, consolidation, dissolution, or bankruptcy;

1500 (b) Through the exercise of the rights of a lien creditor
1501 or a person having a lien created by statute or rule of law; or

1502 (c) Through other legal process.

1503 (2) A transfer-by-law statement must contain:

1504 (a) The name and last known mailing address of the owner of
1505 record and the transferee and the other information required by
1506 s. 328.01;

1507 (b) Documentation sufficient to establish the transferee's
1508 ownership interest or right to acquire the ownership interest;

1509 (c) A statement that:

1510 1. The certificate of title is an electronic certificate of
1511 title;

1512 2. The transferee does not have possession of the written
1513 certificate of title created in the name of the owner of record;

1514 or

1515 3. The transferee is delivering the written certificate to
1516 the department with the transfer-by-law statement; and

1517 (d) Except for a transfer described in paragraph (1) (a),
1518 evidence that notification of the transfer and the intent to



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1519 file the transfer-by-law statement has been sent to all persons
1520 indicated in the files of the department as having an interest,
1521 including a security interest, in the vessel.

1522 (3) Unless the department rejects a transfer-by-law
1523 statement for a reason stated in s. 328.09(3) or because the
1524 statement does not include documentation satisfactory to the
1525 department as to the transferee's ownership interest or right to
1526 acquire the ownership interest, not later than 30 days after
1527 delivery to the department of the statement and payment of fees
1528 and taxes payable under the law of this state, other than this
1529 part, in connection with the statement or with the acquisition
1530 or use of the vessel, the department shall:

1531 (a) Accept the statement;

1532 (b) Amend the files of the department to reflect the
1533 transfer; and

1534 (c) If the name of the owner whose ownership interest is
1535 being transferred is indicated on the certificate of title:

1536 1. Cancel the certificate even if the certificate has not
1537 been delivered to the department;

1538 2. Create a new certificate indicating the transferee as
1539 owner;

1540 3. Indicate on the new certificate any security interest
1541 indicated on the canceled certificate, unless a court order
1542 provides otherwise; and

1543 4. Deliver the new certificate or a record evidencing an
1544 electronic certificate.

1545 (4) This section does not apply to a transfer of an
1546 interest in a vessel by a secured party under part VI of chapter
1547 679.



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1548 Section 26. Section 328.25, Florida Statutes, is created to
1549 read:

1550 328.25 Supplemental principles of law and equity.—Unless
1551 displaced by a provision of this part, the principles of law and
1552 equity supplement its provisions.

1553 Section 27. Section 328.41, Florida Statutes, is created to
1554 read:

1555 328.41 Rulemaking.—The department may adopt rules pursuant
1556 to ss. 120.536(1) and 120.54 to implement this part.

1557 Section 28. Section 409.2575, Florida Statutes, is amended
1558 to read:

1559 409.2575 Liens on motor vehicles and vessels.—

1560 (1) The director of the state IV-D program, or the
1561 director's designee, may cause a lien for unpaid and delinquent
1562 support to be placed upon motor vehicles, as defined in chapter
1563 320, and upon vessels, as defined in chapter 327, that are
1564 registered in the name of an obligor who is delinquent in
1565 support payments, if the title to the property is held by a
1566 lienholder, in the manner provided in chapter 319 or, if
1567 applicable in accordance with s. 328.15(9), chapter 328. Notice
1568 of lien shall not be mailed unless the delinquency in support
1569 exceeds \$600.

1570 (2) If the first lienholder fails, neglects, or refuses to
1571 forward the certificate of title to the appropriate department
1572 as requested pursuant to s. 319.24 or, if applicable in
1573 accordance with s. 328.15(9), s. 328.15, the director of the IV-
1574 D program, or the director's designee, may apply to the circuit
1575 court for an order to enforce the requirements of s. 319.24 or
1576 s. 328.15, whichever applies.



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1577 Section 29. Subsection (2) of section 705.103, Florida
1578 Statutes, is amended to read:
1579 705.103 Procedure for abandoned or lost property.—
1580 (2) Whenever a law enforcement officer ascertains that an
1581 article of lost or abandoned property is present on public
1582 property and is of such nature that it cannot be easily removed,
1583 the officer shall cause a notice to be placed upon such article
1584 in substantially the following form:
1585 NOTICE TO THE OWNER AND ALL PERSONS INTERESTED IN THE ATTACHED
1586 PROPERTY. This property, to wit: ...(setting forth brief
1587 description)... is unlawfully upon public property known as
1588 ...(setting forth brief description of location)... and must be
1589 removed within 5 days; otherwise, it will be removed and
1590 disposed of pursuant to chapter 705, Florida Statutes. The owner
1591 will be liable for the costs of removal, storage, and
1592 publication of notice. Dated this: ...(setting forth the date of
1593 posting of notice)..., signed: ...(setting forth name, title,
1594 address, and telephone number of law enforcement officer)....
1595 Such notice shall be not less than 8 inches by 10 inches and
1596 shall be sufficiently weatherproof to withstand normal exposure
1597 to the elements. In addition to posting, the law enforcement
1598 officer shall make a reasonable effort to ascertain the name and
1599 address of the owner. If such is reasonably available to the
1600 officer, she or he shall mail a copy of such notice to the owner
1601 on or before the date of posting. If the property is a motor
1602 vehicle as defined in s. 320.01(1) or a vessel as defined in s.
1603 327.02, the law enforcement agency shall contact the Department
1604 of Highway Safety and Motor Vehicles in order to determine the
1605 name and address of the owner and any person who has filed a



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1606 lien on the vehicle or vessel as provided in s. 319.27(2) or (3)
1607 ~~or s. 328.15(1)~~. On receipt of this information, the law
1608 enforcement agency shall mail a copy of the notice by certified
1609 mail, return receipt requested, to the owner and to the
1610 lienholder, if any, except that a law enforcement officer who
1611 has issued a citation for a violation of s. 823.11 to the owner
1612 of a derelict vessel is not required to mail a copy of the
1613 notice by certified mail, return receipt requested, to the
1614 owner. If, at the end of 5 days after posting the notice and
1615 mailing such notice, if required, the owner or any person
1616 interested in the lost or abandoned article or articles
1617 described has not removed the article or articles from public
1618 property or shown reasonable cause for failure to do so, the
1619 following shall apply:

1620 (a) For abandoned property, the law enforcement agency may
1621 retain any or all of the property for its own use or for use by
1622 the state or unit of local government, trade such property to
1623 another unit of local government or state agency, donate the
1624 property to a charitable organization, sell the property, or
1625 notify the appropriate refuse removal service.

1626 (b) For lost property, the officer shall take custody and
1627 the agency shall retain custody of the property for 90 days. The
1628 agency shall publish notice of the intended disposition of the
1629 property, as provided in this section, during the first 45 days
1630 of this time period.

1631 1. If the agency elects to retain the property for use by
1632 the unit of government, donate the property to a charitable
1633 organization, surrender such property to the finder, sell the
1634 property, or trade the property to another unit of local



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1635 government or state agency, notice of such election shall be
1636 given by an advertisement published once a week for 2
1637 consecutive weeks in a newspaper of general circulation in the
1638 county where the property was found if the value of the property
1639 is more than \$100. If the value of the property is \$100 or less,
1640 notice shall be given by posting a description of the property
1641 at the law enforcement agency where the property was turned in.
1642 The notice must be posted for not less than 2 consecutive weeks
1643 in a public place designated by the law enforcement agency. The
1644 notice must describe the property in a manner reasonably
1645 adequate to permit the rightful owner of the property to claim
1646 it.

1647 2. If the agency elects to sell the property, it must do so
1648 at public sale by competitive bidding. Notice of the time and
1649 place of the sale shall be given by an advertisement of the sale
1650 published once a week for 2 consecutive weeks in a newspaper of
1651 general circulation in the county where the sale is to be held.
1652 The notice shall include a statement that the sale shall be
1653 subject to any and all liens. The sale must be held at the
1654 nearest suitable place to that where the lost or abandoned
1655 property is held or stored. The advertisement must include a
1656 description of the goods and the time and place of the sale. The
1657 sale may take place no earlier than 10 days after the final
1658 publication. If there is no newspaper of general circulation in
1659 the county where the sale is to be held, the advertisement shall
1660 be posted at the door of the courthouse and at three other
1661 public places in the county at least 10 days prior to sale.
1662 Notice of the agency's intended disposition shall describe the
1663 property in a manner reasonably adequate to permit the rightful



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1664 owner of the property to identify it.

1665 Section 30. Paragraph (c) of subsection (2) of section
1666 721.08, Florida Statutes, is amended to read:

1667 721.08 Escrow accounts; nondisturbance instruments;
1668 alternate security arrangements; transfer of legal title.-

1669 (2) One hundred percent of all funds or other property
1670 which is received from or on behalf of purchasers of the
1671 timeshare plan or timeshare interest prior to the occurrence of
1672 events required in this subsection shall be deposited pursuant
1673 to an escrow agreement approved by the division. The funds or
1674 other property may be released from escrow only as follows:

1675 (c) *Compliance with conditions.-*

1676 1. Timeshare licenses.-If the timeshare plan is one in
1677 which timeshare licenses are to be sold and no cancellation or
1678 default has occurred, the escrow agent may release the escrowed
1679 funds or other property to or on the order of the developer upon
1680 presentation of:

1681 a. An affidavit by the developer that all of the following
1682 conditions have been met:

1683 (I) Expiration of the cancellation period.

1684 (II) Completion of construction.

1685 (III) Closing.

1686 (IV) Either:

1687 (A) Execution, delivery, and recordation by each
1688 interestholder of the nondisturbance and notice to creditors
1689 instrument, as described in this section; or

1690 (B) Transfer by the developer of legal title to the subject
1691 accommodations and facilities, or all use rights therein, into a
1692 trust satisfying the requirements of subparagraph 4. and the



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1693 execution, delivery, and recordation by each other
1694 interestholder of the nondisturbance and notice to creditors
1695 instrument, as described in this section.

1696 b. A certified copy of each recorded nondisturbance and
1697 notice to creditors instrument.

1698 c. One of the following:

1699 (I) A copy of a memorandum of agreement, as defined in s.
1700 721.05, together with satisfactory evidence that the original
1701 memorandum of agreement has been irretrievably delivered for
1702 recording to the appropriate official responsible for
1703 maintaining the public records in the county in which the
1704 subject accommodations and facilities are located. The original
1705 memorandum of agreement must be recorded within 180 days after
1706 the date on which the purchaser executed her or his purchase
1707 agreement.

1708 (II) A notice delivered for recording to the appropriate
1709 official responsible for maintaining the public records in each
1710 county in which the subject accommodations and facilities are
1711 located notifying all persons of the identity of an independent
1712 escrow agent or trustee satisfying the requirements of
1713 subparagraph 4. that shall maintain separate books and records,
1714 in accordance with good accounting practices, for the timeshare
1715 plan in which timeshare licenses are to be sold. The books and
1716 records shall indicate each accommodation and facility that is
1717 subject to such a timeshare plan and each purchaser of a
1718 timeshare license in the timeshare plan.

1719 2. Timeshare estates.—If the timeshare plan is one in which
1720 timeshare estates are to be sold and no cancellation or default
1721 has occurred, the escrow agent may release the escrowed funds or



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1722 other property to or on the order of the developer upon
1723 presentation of:

1724 a. An affidavit by the developer that all of the following
1725 conditions have been met:

1726 (I) Expiration of the cancellation period.
1727 (II) Completion of construction.
1728 (III) Closing.

1729 b. If the timeshare estate is sold by agreement for deed, a
1730 certified copy of the recorded nondisturbance and notice to
1731 creditors instrument, as described in this section.

1732 c. Evidence that each accommodation and facility:

1733 (I) Is free and clear of the claims of any interestholders,
1734 other than the claims of interestholders that, through a
1735 recorded instrument, are irrevocably made subject to the
1736 timeshare instrument and the use rights of purchasers made
1737 available through the timeshare instrument;

1738 (II) Is the subject of a recorded nondisturbance and notice
1739 to creditors instrument that complies with subsection (3) and s.
1740 721.17; or

1741 (III) Has been transferred into a trust satisfying the
1742 requirements of subparagraph 4.

1743 d. Evidence that the timeshare estate:

1744 (I) Is free and clear of the claims of any interestholders,
1745 other than the claims of interestholders that, through a
1746 recorded instrument, are irrevocably made subject to the
1747 timeshare instrument and the use rights of purchasers made
1748 available through the timeshare instrument; or

1749 (II) Is the subject of a recorded nondisturbance and notice
1750 to creditors instrument that complies with subsection (3) and s.



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1751 721.17.
1752 3. Personal property timeshare interests.—If the timeshare
1753 plan is one in which personal property timeshare interests are
1754 to be sold and no cancellation or default has occurred, the
1755 escrow agent may release the escrowed funds or other property to
1756 or on the order of the developer upon presentation of:
1757 a. An affidavit by the developer that all of the following
1758 conditions have been met:
1759 (I) Expiration of the cancellation period.
1760 (II) Completion of construction.
1761 (III) Closing.
1762 b. If the personal property timeshare interest is sold by
1763 agreement for transfer, evidence that the agreement for transfer
1764 complies fully with s. 721.06 and this section.
1765 c. Evidence that one of the following has occurred:
1766 (I) Transfer by the owner of the underlying personal
1767 property of legal title to the subject accommodations and
1768 facilities or all use rights therein into a trust satisfying the
1769 requirements of subparagraph 4.; or
1770 (II) Transfer by the owner of the underlying personal
1771 property of legal title to the subject accommodations and
1772 facilities or all use rights therein into an owners' association
1773 satisfying the requirements of subparagraph 5.
1774 d. Evidence of compliance with the provisions of
1775 subparagraph 6., if required.
1776 e. If a personal property timeshare plan is created with
1777 respect to accommodations and facilities that are located on or
1778 in an oceangoing vessel, including a "documented vessel" or a
1779 "foreign vessel," as defined and governed by 46 U.S.C. chapter



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1780 301:

1781 (I) In making the transfer required in sub-subparagraph c.,
1782 the developer shall use as its transfer instrument a document
1783 that establishes and protects the continuance of the use rights
1784 in the subject accommodations and facilities in a manner that is
1785 enforceable by the trust or owners' association.

1786 (II) The transfer instrument shall comply fully with the
1787 provisions of this chapter, shall be part of the timeshare
1788 instrument, and shall contain specific provisions that:

1789 (A) Prohibit the vessel owner, the developer, any manager
1790 or operator of the vessel, the owners' association or the
1791 trustee, the managing entity, or any other person from incurring
1792 any liens against the vessel except for liens that are required
1793 for the operation and upkeep of the vessel, including liens for
1794 fuel expenditures, repairs, crews' wages, and salvage, and
1795 except as provided in sub-sub-subparagraphs 4.b.(III) and
1796 5.b.(III). All expenses, fees, and taxes properly incurred in
1797 connection with the creation, satisfaction, and discharge of any
1798 such permitted lien, or a prorated portion thereof if less than
1799 all of the accommodations on the vessel are subject to the
1800 timeshare plan, shall be common expenses of the timeshare plan.

1801 (B) Grant a lien against the vessel in favor of the owners'
1802 association or trustee to secure the full and faithful
1803 performance of the vessel owner and developer of all of their
1804 obligations to the purchasers.

1805 (C) Establish governing law in a jurisdiction that
1806 recognizes and will enforce the timeshare instrument and the
1807 laws of the jurisdiction of registry of the vessel.

1808 (D) Require that a description of the use rights of



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1809 purchasers be posted and displayed on the vessel in a manner
1810 that will give notice of such rights to any party examining the
1811 vessel. This notice must identify the owners' association or
1812 trustee and include a statement disclosing the limitation on
1813 incurring liens against the vessel described in sub-sub-sub-
1814 subparagraph (A).

1815 (E) Include the nondisturbance and notice to creditors
1816 instrument for the vessel owner and any other interestholders.

1817 (F) The owners' association created under subparagraph 5.
1818 or trustee created under subparagraph 4. shall have access to
1819 any certificates of classification in accordance with the
1820 timeshare instrument.

1821 (III) If the vessel is a foreign vessel, the vessel must be
1822 registered in a jurisdiction that permits a filing evidencing
1823 the use rights of purchasers in the subject accommodations and
1824 facilities, offers protection for such use rights against
1825 unfiled and inferior claims, and recognizes the document or
1826 instrument creating such use rights as a lien against the
1827 vessel.

1828 (IV) In addition to the disclosures required by s.
1829 721.07(5), the public offering statement and purchase contract
1830 must contain a disclosure in conspicuous type in substantially
1831 the following form:

1832
1833 *The laws of the State of Florida govern the offering of this*
1834 *timeshare plan in this state. There are inherent risks in*
1835 *purchasing a timeshare interest in this timeshare plan because*
1836 *the accommodations and facilities of the timeshare plan are*
1837 *located on a vessel that will sail into international waters and*



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1838 *into waters governed by many different jurisdictions. Therefore,*
1839 *the laws of the State of Florida cannot fully protect your*
1840 *purchase of an interest in this timeshare plan. Specifically,*
1841 *management and operational issues may need to be addressed in*
1842 *the jurisdiction in which the vessel is registered, which is*
1843 *(insert jurisdiction in which vessel is registered). Concerns of*
1844 *purchasers may be sent to (insert name of applicable regulatory*
1845 *agency and address).*

1846

1847 4. Trust.—

1848 a. If the subject accommodations or facilities, or all use
1849 rights therein, are to be transferred into a trust in order to
1850 comply with this paragraph, such transfer shall take place
1851 pursuant to this subparagraph. If the accommodations or
1852 facilities included in such transfer are subject to a lease, the
1853 unexpired term of the lease must be disclosed as the term of the
1854 timeshare plan pursuant to s. 721.07(5)(f)4.

1855 b. Prior to the transfer of the subject accommodations and
1856 facilities, or all use rights therein, to a trust, any lien or
1857 other encumbrance against such accommodations and facilities, or
1858 use rights therein, shall be made subject to a nondisturbance
1859 and notice to creditors instrument pursuant to subsection (3).
1860 No transfer pursuant to this subparagraph shall become effective
1861 until the trustee accepts such transfer and the responsibilities
1862 set forth herein. A trust established pursuant to this
1863 subparagraph shall comply with the following provisions:

1864 (I) The trustee shall be an individual or a business entity
1865 authorized and qualified to conduct trust business in this
1866 state. Any corporation authorized to do business in this state



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1867 may act as trustee in connection with a timeshare plan pursuant
1868 to this chapter. The trustee must be independent from any
1869 developer or managing entity of the timeshare plan or any
1870 interestholder of any accommodation or facility of such plan.

1871 (II) The trust shall be irrevocable so long as any
1872 purchaser has a right to occupy any portion of the timeshare
1873 property pursuant to the timeshare plan.

1874 (III) The trustee shall not convey, hypothecate, mortgage,
1875 assign, lease, or otherwise transfer or encumber in any fashion
1876 any interest in or portion of the timeshare property with
1877 respect to which any purchaser has a right of use or occupancy
1878 unless the timeshare plan is terminated pursuant to the
1879 timeshare instrument, or such conveyance, hypothecation,
1880 mortgage, assignment, lease, transfer, or encumbrance is
1881 approved by a vote of two-thirds of all voting interests of the
1882 timeshare plan. Subject to s. 721.552, a vote of the voting
1883 interests of the timeshare plan is not required for substitution
1884 or automatic deletion of accommodations or facilities.

1885 (IV) All purchasers of the timeshare plan or the owners'
1886 association of the timeshare plan shall be the express
1887 beneficiaries of the trust. The trustee shall act as a fiduciary
1888 to the beneficiaries of the trust. The personal liability of the
1889 trustee shall be governed by ss. 736.08125, 736.08163, 736.1013,
1890 and 736.1015. The agreement establishing the trust shall set
1891 forth the duties of the trustee. The trustee shall be required
1892 to furnish promptly to the division upon request a copy of the
1893 complete list of the names and addresses of the owners in the
1894 timeshare plan and a copy of any other books and records of the
1895 timeshare plan required to be maintained pursuant to s. 721.13



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1896 that are in the possession, custody, or control of the trustee.
1897 All expenses reasonably incurred by the trustee in the
1898 performance of its duties, together with any reasonable
1899 compensation of the trustee, shall be common expenses of the
1900 timeshare plan.

1901 (V) The trustee shall not resign upon less than 90 days'
1902 prior written notice to the managing entity and the division. No
1903 resignation shall become effective until a substitute trustee,
1904 approved by the division, is appointed by the managing entity
1905 and accepts the appointment.

1906 (VI) The documents establishing the trust arrangement shall
1907 constitute a part of the timeshare instrument.

1908 (VII) For trusts holding property in a timeshare plan
1909 located outside this state, the trust and trustee holding such
1910 property shall be deemed in compliance with the requirements of
1911 this subparagraph if such trust and trustee are authorized and
1912 qualified to conduct trust business under the laws of such
1913 jurisdiction and the agreement or law governing such trust
1914 arrangement provides substantially similar protections for the
1915 purchaser as are required in this subparagraph for trusts
1916 holding property in a timeshare plan in this state.

1917 (VIII) The trustee shall have appointed a registered agent
1918 in this state for service of process. In the event such a
1919 registered agent is not appointed, service of process may be
1920 served pursuant to s. 721.265.

1921 5. Owners' association.—

1922 a. If the subject accommodations or facilities, or all use
1923 rights therein, are to be transferred into an owners'
1924 association in order to comply with this paragraph, such



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1925 transfer shall take place pursuant to this subparagraph.

1926 b. Before the transfer of the subject accommodations and
1927 facilities, or all use rights therein, to an owners'
1928 association, any lien or other encumbrance against such
1929 accommodations and facilities, or use rights therein, shall be
1930 made subject to a nondisturbance and notice to creditors
1931 instrument pursuant to subsection (3). No transfer pursuant to
1932 this subparagraph shall become effective until the owners'
1933 association accepts such transfer and the responsibilities set
1934 forth herein. An owners' association established pursuant to
1935 this subparagraph shall comply with the following provisions:

1936 (I) The owners' association shall be a business entity
1937 authorized and qualified to conduct business in this state.
1938 Control of the board of directors of the owners' association
1939 must be independent from any developer or managing entity of the
1940 timeshare plan or any interestholder.

1941 (II) The bylaws of the owners' association shall provide
1942 that the corporation may not be voluntarily dissolved without
1943 the unanimous vote of all owners of personal property timeshare
1944 interests so long as any purchaser has a right to occupy any
1945 portion of the timeshare property pursuant to the timeshare
1946 plan.

1947 (III) The owners' association shall not convey,
1948 hypothecate, mortgage, assign, lease, or otherwise transfer or
1949 encumber in any fashion any interest in or portion of the
1950 timeshare property with respect to which any purchaser has a
1951 right of use or occupancy, unless the timeshare plan is
1952 terminated pursuant to the timeshare instrument, or unless such
1953 conveyance, hypothecation, mortgage, assignment, lease,



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1954 transfer, or encumbrance is approved by a vote of two-thirds of
1955 all voting interests of the association and such decision is
1956 declared by a court of competent jurisdiction to be in the best
1957 interests of the purchasers of the timeshare plan. The owners'
1958 association shall notify the division in writing within 10 days
1959 after receiving notice of the filing of any petition relating to
1960 obtaining such a court order. The division shall have standing
1961 to advise the court of the division's interpretation of the
1962 statute as it relates to the petition.

1963 (IV) All purchasers of the timeshare plan shall be members
1964 of the owners' association and shall be entitled to vote on
1965 matters requiring a vote of the owners' association as provided
1966 in this chapter or the timeshare instrument. The owners'
1967 association shall act as a fiduciary to the purchasers of the
1968 timeshare plan. The articles of incorporation establishing the
1969 owners' association shall set forth the duties of the owners'
1970 association. All expenses reasonably incurred by the owners'
1971 association in the performance of its duties, together with any
1972 reasonable compensation of the officers or directors of the
1973 owners' association, shall be common expenses of the timeshare
1974 plan.

1975 (V) The documents establishing the owners' association
1976 shall constitute a part of the timeshare instrument.

1977 (VI) For owners' associations holding property in a
1978 timeshare plan located outside this state, the owners'
1979 association holding such property shall be deemed in compliance
1980 with the requirements of this subparagraph if such owners'
1981 association is authorized and qualified to conduct owners'
1982 association business under the laws of such jurisdiction and the



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1983 agreement or law governing such arrangement provides
1984 substantially similar protections for the purchaser as are
1985 required in this subparagraph for owners' associations holding
1986 property in a timeshare plan in this state.

1987 (VII) The owners' association shall have appointed a
1988 registered agent in this state for service of process. In the
1989 event such a registered agent cannot be located, service of
1990 process may be made pursuant to s. 721.265.

1991 6. Personal property subject to certificate of title.—If
1992 any personal property that is an accommodation or facility of a
1993 timeshare plan is subject to a certificate of title in this
1994 state pursuant to chapter 319 or chapter 328, the following
1995 notation must be made on such certificate of title pursuant to
1996 s. 319.27(1) or s. 328.15 ~~s. 328.15(1)~~:

1997
1998 *The further transfer or encumbrance of the property subject to*
1999 *this certificate of title, or any lien or encumbrance thereon,*
2000 *is subject to the requirements of section 721.17, Florida*
2001 *Statutes, and the transferee or lienor agrees to be bound by all*
2002 *of the obligations set forth therein.*

2003
2004 7. If the developer has previously provided a certified
2005 copy of any document required by this paragraph, she or he may
2006 for all subsequent disbursements substitute a true and correct
2007 copy of the certified copy, provided no changes to the document
2008 have been made or are required to be made.

2009 8. In the event that use rights relating to an
2010 accommodation or facility are transferred into a trust pursuant
2011 to subparagraph 4. or into an owners' association pursuant to



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2012 subparagraph 5., all other interestholders, including the owner
2013 of the underlying fee or underlying personal property, must
2014 execute a nondisturbance and notice to creditors instrument
2015 pursuant to subsection (3).

2016 Section 31. (1) The rights, duties, and interests flowing
2017 from a transaction, certificate of title, or record relating to
2018 a vessel which was validly entered into or created before the
2019 effective date of this act and would be subject to this act if
2020 it had been entered into or created on or after the effective
2021 date of this act remain valid on and after the effective date of
2022 this act.

2023 (2) This act does not affect an action or a proceeding
2024 commenced before the effective date of this act.

2025 (3) Except as otherwise provided in subsection (4), a
2026 security interest that is enforceable immediately before the
2027 effective date of this act and would have priority over the
2028 rights of a person who becomes a lien creditor at that time is a
2029 perfected security interest under this act.

2030 (4) A security interest perfected immediately before the
2031 effective date of this act remains perfected until the earlier
2032 of:

2033 (a) The time perfection would have ceased under the law
2034 under which the security interest was perfected; or

2035 (b) Three years after the effective date of this act.

2036 (5) This act does not affect the priority of a security
2037 interest in a vessel if immediately before the effective date of
2038 this act the security interest is enforceable and perfected, and
2039 that priority is established.

2040 Section 32. Subject to section 25, this act applies to any



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2041 transaction, certificate of title, or record relating to a
2042 vessel, even if the transaction, certificate of title, or record
2043 was entered into or created before the effective date of this
2044 act.

2045 Section 33. This act shall take effect July 1, 2023.

2046

2047 ===== T I T L E A M E N D M E N T =====

2048 And the title is amended as follows:

2049 Delete everything before the enacting clause
2050 and insert:

2051 A bill to be entitled

2052 An act relating to certificates of title for vessels;
2053 creating s. 328.001, F.S.; providing a short title;
2054 creating s. 328.0015, F.S.; providing definitions;
2055 amending s. 328.01, F.S.; revising requirements for
2056 application for, and information to be included in, a
2057 certificate of title for a vessel; creating s.
2058 328.015, F.S.; requiring the Department of Highway
2059 Safety and Motor Vehicles to retain certain
2060 information relating to ownership and titling of
2061 vessels; requiring the department to furnish certain
2062 information upon request; creating s. 328.02, F.S.;
2063 providing that the law of the state under which a
2064 vessel's certificate of title is covered governs all
2065 issues relating to a certificate of title; specifying
2066 when a vessel becomes covered by such certificate;
2067 amending s. 328.03, F.S.; requiring a vessel owner to
2068 deliver an application for certificate of title to the
2069 department by a specified time; revising circumstances



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2070 under which a vessel must be titled by this state;
2071 providing requirements for issuing, transferring, or
2072 renewing the number of an undocumented vessel issued
2073 under certain federal provisions; deleting provisions
2074 relating to operation, use, or storage of a vessel;
2075 deleting provisions relating to selling, assigning, or
2076 transferring a vessel; specifying that a certificate
2077 of title is prima facie evidence of the accuracy of
2078 the information in the record that constitutes the
2079 certificate; creating s. 328.04, F.S.; providing
2080 requirements for the contents of a certificate of
2081 title; creating s. 328.045, F.S.; providing
2082 responsibilities of an owner and insurer of a hull-
2083 damaged vessel when transferring an ownership interest
2084 in the vessel; requiring the department to create a
2085 new certificate indicating such damage; providing
2086 civil penalties; creating s. 328.055, F.S.; requiring
2087 the department to maintain certain information in its
2088 files and to provide certain information to
2089 governmental entities; specifying that certain
2090 information is a public record; creating s. 328.06,
2091 F.S.; providing responsibilities of the department
2092 when creating a certificate of title; creating s.
2093 328.065, F.S.; specifying effect of possession of a
2094 certificate of title; providing construction; amending
2095 s. 328.09, F.S.; providing duties of the department
2096 relating to creation, issuance, refusal to issue, or
2097 cancellation of a certificate of title; providing for
2098 a hearing; creating s. 328.101, F.S.; specifying that



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2099 a certificate of title and certain other records are
2100 effective despite missing or incorrect information;
2101 amending s. 328.11, F.S.; providing requirements for
2102 obtaining a duplicate certificate of title; creating
2103 s. 328.12, F.S.; providing requirements for
2104 determination and perfection of a security interest in
2105 a vessel; providing applicability; creating s.
2106 328.125, F.S.; providing requirements for the delivery
2107 of a statement of termination of a security interest;
2108 providing duties of the department; providing
2109 liability for noncompliance; creating s. 328.14, F.S.;
2110 providing for the rights of a purchaser of a vessel
2111 who is not a secured party; creating s. 328.145, F.S.;
2112 providing for the rights of a secured party; amending
2113 s. 328.15, F.S.; deleting certain provisions relating
2114 to notice of a lien; providing for future expiration
2115 of certain provisions; amending ss. 328.16 and
2116 328.165, F.S.; conforming provisions to changes made
2117 by the act; creating s. 328.215, F.S.; specifying
2118 circumstances under which the department may create a
2119 new certificate of title after receipt of an
2120 application for a transfer of ownership or termination
2121 of a security interest unaccompanied by a certificate
2122 of title; authorizing the department to indicate
2123 certain information on the new certificate;
2124 authorizing the department to require a bond,
2125 indemnity, or other security; providing for the
2126 release of such bond, indemnity, or other security;
2127 providing that the department is not liable for



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2128 creating a certificate of title based on erroneous or
2129 fraudulent information; providing penalties; creating
2130 s. 328.22, F.S.; providing requirements for the
2131 transfer of ownership in a vessel; providing effect of
2132 noncompliance; creating s. 328.23, F.S.; providing a
2133 definition; providing duties of the department upon
2134 receipt of a secured party's transfer statement;
2135 providing construction; creating s. 328.24, F.S.;
2136 providing a definition; providing requirements for a
2137 transfer of ownership by operation of law; providing
2138 duties of the department; providing applicability;
2139 creating s. 328.25, F.S.; providing that the
2140 principles and law of equity supplement the provisions
2141 of the act; creating s. 328.41, F.S.; authorizing the
2142 department to adopt rules to implement vessel
2143 registration provisions; amending ss. 409.2575,
2144 705.103, and 721.08, F.S.; conforming provisions and
2145 cross-references to changes made by the act; providing
2146 construction and applicability regarding transactions,
2147 certificates of title, and records entered into or
2148 created, actions or proceedings commenced, and
2149 security interests perfected before the effective date
2150 of the act; providing applicability; providing an
2151 effective date.