

Hello EM,

I was on the conference call yesterday representing International Assoc. of Marine Investigation (IAMI) which I am President of. While this is a very important issue to IAMI, it is also important to my state. I am the Acting Commissioner of the Missouri State Water Patrol and a 24 year veteran. Here in Missouri we have titled boats and outboard gas motors since the early 60's. We have had to deal with surrounding states who do not title boats, motors, and trailers or they title boats, but not the motors. Another example is they title trailers, but not the boats or motors, etc. As a result, stolen marine equipment often leaves Missouri for one of the non-titling states. Many times the property is sold to an unsuspecting consumer who brings it back into Missouri where titles are required, and the items are then seized from the consumer. We now have a second victim on the same property. Mandatory titling would greatly reduce or eliminate this from happening. Mandatory titling could allow a mechanism to be put in place where salvage boats would have branded titles. This has been a huge problem with all of the boats coming out of the hurricane devastated areas, many of which were under water and repaired, then sold as non-damaged vessels. Again, consumer fraud. This includes outboard motors. Today a 250 horsepower outboard engine costs approximately \$21,000.00. A 5 horsepower is around \$4,500.00. Motors are often the most expensive part of the package. The smaller motors are the easiest to steal so titling for them is also critical for identification and recovery. Many of these motors and boats are never recovered because the reporting parties don't know the HIN or VIN number and law enforcement either doesn't make the effort to get the information or they don't know where to go to get it. Titling would again go a long way towards correcting this if all states were required to title.

Another issue discussed yesterday was where the vessel would be titled if the owner lived in one state but the vessel's principle use is in another state. We have this issue here all of the time with Lake of the Ozarks. Many of the vessels come from Kansas, Ohio, Iowa, Illinois, etc. and are left here for the summer. The larger boats stay year around. By law these boats are required to register in Missouri. Some of them will title and register in whichever state has the least amount of taxes. The state of principle use is the only fair way to title and or register these boats. Proving that a boat does not leave the state for 60 consecutive days (our state law) can be a challenge in court, but it can be done. We passed legislation last year that requires those vessels left in the state to pay personal property tax on them which some had been avoiding in both their state of residence and the state of principle use. To register a vessel in Missouri, you now have to supply a paid personal property tax receipt to show you have paid your taxes either at home or in Missouri.

Thanks for starting to address what is and has been a window of opportunity to commit fraud on unsuspecting consumers. I myself have had to seize vessels/outboard motors from buyers who were innocent victims. You feel like you are again victimizing them when you have to seize the property they paid for to return it to the rightful owner.

Please feel free to contact me anytime if I can be of assistance.

Michael H. Smith
IAMI President
Acting Commissioner
Missouri State Water Patrol
573/751-5073 direct office number