

To: Committee of the Whole

From: Drafting Committee on Certificate of Title for Vessels Act (formerly Boats)  
Esson Miller, Jr., Chairman

Date: June 10, 2010

---

First, the name of our Act was changed by the Executive Committee on April 23, 2010 upon a formal request by the Drafting Committee on March 22, 2010. The name was changed from Certificate of Title for Boats Act to Certificate of Title for Vessels Act. It was determined by the Committee that the term “vessel” better described the craft being titled.

A major issue confronting the Committee was not one of drafting, but one of process to ensure support for the basic foundation and premises of the act prior to the beginning of the Drafting Committee’s work. Unfortunately, or fortunately, depending on one’s perspective was the adoption of the Uniform Certificate of Title Act for Automobiles by ULC in 2006. That act has not yet been adopted by any state although it acted as an excellent model and resource for the Committee’s drafting reporter. Since it was never endorsed by state officials administering car titling, it also taught an important lesson that vessels benefited from-Get the right parties around the table and on board early!

It was determined long before our first meeting that the support of the National Association of State Boat Law Administrators (NASBLA), the United States Coast Guard, the Marine Manufacturers, Marine Bankers, Maritime Law Association, and Boat U.S. was essential players in the development of this act. Through due diligence, the Drafting Committee was able to get all the necessary players involved and active. Their assistance and input has been invaluable and their participation has been exemplary and the members of the Drafting Committee look forward to their continued support of this act.

Only one issue prompted the need for an ad hoc subcommittee and that was to examine the need for a “title branding” provision in the act. Title branding is the symbol placed upon a certificate of title that gives notice to an interested party that a certain unhealthy activity has taken place with the property titled. In the case of a vessel, it could be storm or other damage, salvage or submersion. The Drafting Committee for Automobiles “punted” with regard to the branding of car titles since all states currently title automobiles and only a few states actually brand their titles.

However, many states do not as yet title vessels so it was felt by the Committee that now was the appropriate time to act on title branding. The State Boating Law Administrators favored a branding provision and so did the marine industry, in general. Also, it was the opinion of the marine industry that a mandatory title branding provision would help sell the Act in the state legislatures as consumer protection legislation. The final version of the Act now contains a branding provision.

A second issue that has not been directly addressed by the Committee, but will in October of 2010, is whether the Act should contain a suggested uniform title form as a guide to states adopting this Act. This again was a subject much discussed by the Automobile Committee and like branding was not included. Particularly if you concede that branding is a good thing, then it could be argued that having similar state branding symbols and having that symbol located in a similar placement on a title would be beneficial. Therefore, a uniform title form could be very helpful to the states and present an outward showing of uniformity.

I would like to thank our reporter, Stephen Sepinuck, Vann Burgess from the U.S. Coast Guard, Cindy Squires from the Marine Manufacturers Association, Boyd Walden, Sharon Carrick and Ron Sarver et. al. from NASBLA, Bruce King and Shari Friedman from the Maritime Law Association, Jim Coburn and Jim Stewart from the Marine Bankers Association, Dave Williams, the Drafting Committee's ABA advisor and member of the Maritime Law Association, staff from the National Vessel Documentation Center, ULC members of the Drafting Committee and many others that I have not enumerated. I thank you for all your assistance. A special thank you to John Sebert, who gave me good advice, guidance and support throughout our efforts.