

HOUSE BILL NO. 325

INTRODUCED BY R. LAIBLE

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A CANOE OR KAYAK THAT IS PROPELLED BY WIND IS NOT A SAILBOAT SUBJECT TO A FEE; AND AMENDING SECTIONS 23-2-502 AND 23-2-517, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 23-2-502, MCA, is amended to read:

"23-2-502. Definitions. As used in this part, unless the context clearly requires a different meaning, the following definitions apply:

(1) "Certificate of number" means the certificate issued annually by the county treasurer to the owner of a motorboat or by the department of justice to dealers or manufacturers, assigning such motorboat an identifying number and containing such information as required.

(2) "Certificate of ownership" means a certificate issued by the department of justice identifying the owner of a motorboat or sailboat 12 feet in length or longer.

(3) "Dealer" means any person who engages in whole or in part in the business of buying, selling, or exchanging new and unused vessels or used vessels, or both, either outright or on conditional sale, bailment, lease, chattel mortgage, or otherwise, and who has an established place of business for sale, trade, and display of vessels. A yacht broker is a dealer.

(4) "Department" means the department of fish, wildlife, and parks of the state of Montana.

(5) "Documented vessel" means a vessel which has and is required to have a valid marine document as a vessel of the United States.

(6) "Identifying number" means the boat number set forth in the certificate of number and properly displayed on the motorboat.

(7) "License decals" means the serially numbered license stickers issued annually by the county treasurer and displayed as required by law.

(8) "Lienholder" means a person holding a security interest.

(9) "Manufacturer" means any person engaged in the business of manufacturing or importing new

1 and unused vessels or new and unused outboard motors for the purpose of sale or trade.

2 (10) "Motorboat" means any vessel, including a canoe, kayak, personal watercraft, rubber raft,
3 or pontoon, propelled by any machinery, motor, or engine of any description, whether or not such
4 machinery, motor, or engine is the principal source of propulsion. The term includes boats temporarily
5 equipped with detachable motors or engines but does not include a vessel which has a valid marine
6 document issued by the U.S. coast guard of the United States government or any federal agency
7 successor thereto.

8 (11) "Operate" means to navigate or otherwise use a motorboat or a vessel.

9 (12) "Operator" means the person who navigates, drives, or is otherwise in immediate control of
10 a motorboat or vessel.

11 (13) "Owner" means a person, other than a lienholder, having the property in or title to a
12 motorboat or vessel. The term includes a person entitled to the use or possession of a motorboat or vessel
13 subject to an interest in another person, reserved or created by an agreement securing payment or
14 performance of an obligation, but the term excludes a lessee under a lease not intended as security.

15 (14) "Passenger" means every person carried on board a vessel other than:

16 (a) the owner or his representative;

17 (b) the operator;

18 (c) bona fide members of the crew engaged in the business of the vessel who have contributed
19 no consideration for their carriage and who are paid for their services; or

20 (d) any guest on board a vessel which is being used exclusively for pleasure purposes who has
21 not contributed any consideration, directly or indirectly, for his carriage.

22 (15) "Person" means an individual, partnership, firm, corporation, association, or other entity.

23 (16) "Personal watercraft" means a vessel that uses an outboard motor or an inboard engine
24 powering a water jet pump as its primary source of propulsion and that is designed to be operated by a
25 person sitting, standing, or kneeling on the vessel rather than by the conventional method of sitting or
26 standing in the vessel.

27 (17) "Sailboat" means a vessel that uses a sail and wind as its primary source of propulsion. The
28 term does not include a canoe or kayak propelled by wind.

29 (18) "Security interest" means an interest that is reserved or created by an agreement that secures
30 payment or performance of an obligation and is valid against third parties generally.

1 ~~(18)~~(19) "Uniform state waterway marking system" means one of two categories:

2 (a) a system of aids to navigation to supplement the federal system of marking in state waters;

3 (b) a system of regulatory markers to warn a vessel operator of dangers or to provide general
4 information and directions.

5 ~~(19)~~(20) "Vessel" means every description of watercraft, unless otherwise defined by the
6 department, other than a seaplane on the water, used or capable of being used as a means of
7 transportation on water.

8 ~~(20)~~(21) "Waters of this state" means any waters within the territorial limits of this state."
9

10 **Section 2.** Section 23-2-517, MCA, is amended to read:

11 **"23-2-517. Fees for motorboats, sailboats, personal watercraft, motorized canoes, motorized**
12 **rubber rafts, and motorized pontoons.** (1) The owner of a motorboat 10 feet in length or longer or a
13 sailboat 12 feet in length or longer shall pay a fee based on the length and age of the motorboat or sailboat
14 as follows:

15 (a) The fee schedule for a motorboat at least 10 feet in length but less than 14 feet in length or
16 sailboat at least 12 feet in length but less than 14 feet in length is as follows:

17 (i) for a motorboat or sailboat less than 5 years of age, \$7.50;

18 (ii) for a motorboat or sailboat 5 years of age or older but less than 10 years of age, \$5.65; and

19 (iii) for a motorboat or sailboat 10 years of age or older, \$3.75.

20 (b) The fee schedule for a motorboat or sailboat at least 14 feet in length but less than 16 feet
21 in length is as follows:

22 (i) for a motorboat or sailboat less than 5 years of age, \$15;

23 (ii) for a motorboat or sailboat 5 years of age or older but less than 10 years of age, \$11.25; and

24 (iii) for a motorboat or sailboat 10 years of age or older, \$7.50.

25 (c) The fee schedule for a motorboat or sailboat at least 16 feet in length but less than 17 feet
26 in length is as follows:

27 (i) for a motorboat or sailboat less than 5 years of age, \$32;

28 (ii) for a motorboat or sailboat 5 years of age or older but less than 10 years of age, \$24; and

29 (iii) for a motorboat or sailboat 10 years of age or older, \$16.

30 (d) The fee schedule for a motorboat or sailboat at least 17 feet in length but less than 19 feet

1 in length is as follows:

2 (i) for a motorboat or sailboat less than 5 years of age, \$3 a foot or fraction of a foot;

3 (ii) for a motorboat or sailboat 5 years of age or older but less than 10 years of age, \$2.25 a foot
4 or fraction of a foot; and

5 (iii) for a motorboat or sailboat 10 years of age or older, \$1.50 a foot or fraction of a foot.

6 (e) The fee schedule for a motorboat or sailboat 19 feet in length or longer is as follows:

7 (i) for a motorboat or sailboat less than 5 years of age, \$4 a foot or fraction of a foot;

8 (ii) for a motorboat or sailboat 5 years of age or older but less than 10 years of age, \$3 a foot or
9 fraction of a foot; and

10 (iii) for a motorboat or sailboat 10 years of age or older, \$2 a foot or fraction of a foot.

11 (2) The owner of a personal watercraft shall pay a fee based on the age of the watercraft as
12 follows:

13 (a) The fee for a personal watercraft less than 4 years of age is \$22.

14 (b) The fee for a personal watercraft 4 years of age or older is \$15.

15 (3) (a) Except as provided in subsection (3)(b), the age of a motorboat, sailboat, or personal
16 watercraft is determined by subtracting the manufacturer's designated model year from the current
17 calendar year.

18 (b) If the purchase year of a motorboat, sailboat, or personal watercraft precedes the designated
19 model year of the motorboat, sailboat, or personal watercraft and the motorboat, sailboat, or personal
20 watercraft is originally titled in Montana, then the purchase year is considered the model year for the
21 purposes of calculating the fee in lieu of tax.

22 (4) The fee for a motorized canoe, ~~a canoe or kayak propelled by wind~~, or a motorized rubber raft
23 is \$7.50, regardless of its length or age.

24 (5) The fee for a motorized pontoon is \$20, regardless of its length or age."

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