**South Carolina General Assembly**

125th Session, 2023-2024

**S. 446**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Rice

Document Path: LC-0068HDB23.docx

Introduced in the Senate on January 25, 2023

Currently residing in the Senate Committee on **Fish, Game and Forestry**

Summary: Watercraft

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

1/25/2023 Senate Introduced and read first time ([Senate Journal‑page 4](h:\sj\20230125.docx))

1/25/2023 Senate Referred to Committee on **Fish, Game and Forestry** ([Senate Journal‑page 4](h:\sj\20230125.docx))

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**VERSIONS OF THIS BILL**

[01/25/2023](https://www.scstatehouse.gov/sess125_2023-2024/prever/446_20230125.docx)

A bill

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 50‑23‑11, RELATING TO WATERCRAFT DEALER DEMONSTRATION NUMBERS, SO AS TO DELETE PROVISIONS REGARDING AN APPLICATION FEE, THE EXPIRATION OF DEMONSTRATION NUMBERS, AND THE USE OF FEE REVENUE; BY AMENDING SECTION 50‑23‑70, RELATING TO WATERCRAFT CERTIFICATE OF NUMBER FEES AND DECALS, SO AS TO DELETE THE PROVISION THAT PROHIBITS THE ISSUANCE OF DUPLICATE DECALS WHEN AD VALOREM TAXES ARE OUTSTANDING; BY AMENDING SECTION 50‑23‑340, RELATING TO THE APPLICATION FEE FOR WATERCRAFT CERTIFICATES OF NUMBER, SO AS TO INCREASE THE FEE; BY AMENDING SECTION 50‑23‑345, RELATING TO TEMPORARY WATERCRAFT CERTIFICATES OF NUMBER, SO AS TO DELETE THE PROVISION PROHIBITING THE ISSUANCE OF A TEMPORARY CERTIFICATE NUMBER UNTIL AD VALOREM TAXES ARE PAID FOR THE YEAR; BY AMENDING SECTION 50‑23‑370, RELATING TO EXPIRATION AND RENEWAL OF WATERCRAFT CERTIFICATES OF NUMBER, SO AS TO PROVIDE THAT A CERTIFICATE OF NUMBER CONTINUES IN EFFECT FOR THREE YEARS INSTEAD OF ONE YEAR, AND TO DELETE PROVISIONS regarding THE ISSUANCE OF RENEWAL NOTICES AND PROCESSING OF RENEWALS BY COUNTY AUDITORS; BY REPEALING SECTIONs 50‑23‑12 and 50-23-35 RELATING TO THE COMPLETION OF CERTAIN CHANGE IN STATUS FORMS FOR WATERCRAFT AND OUTBOARD MOTOR TRADE‑INS and TO THE ISSUANCE OF WATERCRAFT TITLES UPON RECEIPT OF EVIDENCE OF AD VALOREM TAX PAYMENT, respectively; BY REPEALING article 26 of chapter 37, title 12 RELATING TO PROCEDURES CONCERNING ASSESSMENTS AND PAYMENTS FOR PROPERTY TAXATION OF BOATS AND WATERCRAFT AND THE ISSUANCE OF CERTIFICATES OF NUMBER FOR BOATS AND WATERCRAFT.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 50‑23‑11 of the S.C. Code is amended to read:

Section 50‑23‑11. (A) Dealer demonstration numbers are limited to watercraft that are:

(1) held for sale by the dealership or assigned to the dealership, including customer watercraft in for service and watercraft being ferried by the dealership;

(2) being operated for limited demonstration rides by prospective buyers;

(3) being operated for purposes of buyer demonstration by owners, employees, or corporate officers of the dealership;

(4) being tested for service by the dealership;

(5) being temporarily operated by an established customer whose boat is being repaired; and

(6) valid from the date of issue until December thirty‑first inclusive of each year.

(B) The demonstration numbers must not be permanently attached to the vessel but must be on board at all times. Marine dealers who sell watercraft are allowed nine demonstration numbers. Marine dealers who only service watercraft or outboard motors are allowed one demonstration number.

If a dealer allows the operation of a watercraft with demonstration numbers, the dealer shall execute a form identifying the date and time, the specific watercraft, the dealer's permit number, the demonstration number, the purpose for which the watercraft is being operated and if for a prospective sale, the form must include the name of the prospective buyer, the date, the specific watercraft, the dealer's permit number, and the demonstration number. The form and the dealer demonstration number must be on board during operation but need not be attached. Operations with dealer demonstration numbers are limited to seventy‑two consecutive hours. This form is not required of owners, employees, or corporate officers who carry dealer identification and who are authorized to use demonstration numbers as provided herein.

(C) All owners, employees, or corporate officers authorized to demonstrate dealer watercraft using demonstration numbers must be listed on the dealer permit application form. The list must be updated as employees are added or deleted within thirty days of a change. Owners, employees, or officers not listed may not use demonstration numbers.

(D) It is unlawful to misuse dealer demonstration numbers or allow dealer demonstration numbers to be misused. A person convicted of misusing or allowing the misuse of dealer demonstration numbers is guilty of a misdemeanor and, upon conviction, for a first offense must be fined not more than five hundred dollars. For a second offense within three years of the first conviction, the offender must be fined at least two hundred dollars but not more than five hundred dollars. The dealer demonstration numbers are suspended for one year and must be surrendered to the department.

(E) The fee for a dealer demonstration number is thirty dollars and the fee must accompany the application for each demonstration number. Demonstration numbers expire on December thirty‑first of each year or on the same date the marine dealer permit under which they were issued is voided, surrendered, or revoked. All revenue from each demonstration number must be used to support the Marine Investigations section of the department.

SECTION 2. Section 50‑23‑70 of the S.C. Code is amended to read:

Section 50‑23‑70. (A) The fee for a certificate of title for a watercraft is ten dollars, and the fee for a certificate of title for an outboard motor is ten dollars.

(B) If a certificate of number or decals are lost, destroyed, or become illegible, the department may issue a duplicate.

(C) The fee for providing a duplicate document or decal is five dollars.

(D) The provisions of this section requiring a fee do not apply to the watercraft owned by volunteer rescue squads used exclusively for the purpose of the squads.

(E) The department must not issue a duplicate document for a certificate of number decal, certificate of number card, outboard motor decal, or watercraft title decal if the department has notice that ad valorem taxes are due.

SECTION 3. Section 50‑23‑340 of the S.C. Code is amended to read:

Section 50‑23‑340. The owner of each motorboat requiring numbering by this chapter shall file an application for a number with the department on forms approved by it. The application shall be signed by the owner of the motorboat and shall be accompanied by a fee of ten thirty dollars. Upon receipt of the application in approved form, the department shall enter the same upon the records of its office and issue to the applicant a certificate of number stating the number awarded to the motorboat and the name and address of the owner. The certificate of number shall be pocket size.

SECTION 4. Section 50‑23‑345 of the S.C. Code is amended to read:

Section 50‑23‑345. (A) A transferee shall utilize the temporary certificate of number on the department's application form as a temporary certificate of number to permit the use of watercraft while applications for certificates of number are processed. Temporary certificates of number apply to new and previously owned watercraft. A temporary certificate is valid for not more than sixty days from the date of purchase. No temporary certificate of number may be issued for a boat, boat motor, or watercraft until the ad valorem tax is paid for the year for which the registration is to be issued.

(B) When using a recently purchased watercraft under authority of a temporary certificate of number, the operator shall carry a copy of the bill of sale on board along with the temporary certificate of number.

(C) A temporary certificate of number must not be issued for a watercraft not having a hull or manufacturer's identification number.

(D) Duplicate or updated temporary certificates of number or updated bills of sale are prohibited.

(E) The number assigned to a temporary certificate of number must not be displayed on the watercraft.

(F) A transferee may operate a newly acquired outboard motor for sixty days while application for title is pending provided the bill of sale is in possession while operating the motor.

SECTION 5. Section 50‑23‑370 of the S.C. Code is amended to read:

Section 50‑23‑370. (A) Except as otherwise provided, a certificate of number awarded pursuant to this chapter continues in effect for one yearthree years unless sooner terminated or discontinued in accordance with this chapter. A certificate of number may be renewed by the owner as provided in subsection (B)in the same manner provided for in the initial securing of the certificates. The department shall fix a month of the year on which certificates of number expire unless renewed pursuant to this chapter.

(B)(1) Beginning January 1, 2020, each county auditor annually shall mail watercraft certificate of number renewal notices to the owners of watercraft in the county as determined by the Department of Natural Resources no later than forty‑five days before expiration of the certificate. The renewal notices, including the fees upon completion, must be returned to that county which shall:

(a) process the application and, if granting the renewal, notify the department to issue a renewed certificate and decal;

(b) transmit the processed renewal notices to the department within seven days; and

(c) transmit the fees, including any late fees, to the appropriate state fund.

(2) Each county auditor must have access to the motorboat titling and registration records of the department as applicable to the county auditor in the manner the county auditor and department agree for the purpose of the county auditor performing the functions required in item (1).

(3) The department may not charge counties for online access network fees for watercraft and owner information.

(4) If a certificate of number is not approved immediately by the department, an owner may operate under a paid tax receipt for thirty days.

(C)(1) A renewal application for a certificate of number, except those from marine dealers, presented after thirty days from its expiration date is subject to a late penalty of fifteen dollars.

(2) A renewal application for a certificate of number presented after sixty days from its expiration date is subject to a late penalty of thirty dollars.

SECTION 6. Sections 50‑23‑12 and 50‑23‑35 of the S.C. Code are repealed.

SECTION 7. Article 26, Chapter 37, Title 12 of the S.C. Code is repealed.

SECTION 8. This act takes effect upon approval by the Governor.

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