AS PASSED BY THE SENATE

April 8, 2021

**S. 29**

Introduced by Senators Hutto and McElveen

S. Printed 4/8/21--S.

Read the first time January 12, 2021.

**A** **BILL**

TO AMEND ARTICLE 1, CHAPTER 21, TITLE 50 OF THE 1976 CODE, RELATING TO THE EQUIPMENT AND OPERATION OF WATERCRAFT, BY ADDING SECTION 50-21-107, TO PROVIDE THAT OWNERS OF WATERCRAFT OF MORE THAN FIFTY HORSEPOWER MUST CARRY LIABILITY INSURANCE OF AT LEAST FIFTY THOUSAND DOLLARS OF COVERAGE PER OCCURRENCE, TO PROVIDE PENALTIES, AND TO PROVIDE FOR THE COLLECTION OF FINES.

Amend Title To Conform

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

SECTION 1. Section 50‑21‑10 of the 1976 Code is amended by adding two appropriately numbered new items to read:

“( ) ‘Personal watercraft’ means a vessel, usually less than sixteen feet in length, that uses an inboard, internal combustion engine powering a water jet pump as its primary source of propulsion and that is intended to be operated by a person sitting, standing, or kneeling on the vessel, rather than within the confines of the hull. ‘Personal watercraft’ includes a vessel commonly known as a ‘jet ski’.

( ) ‘Specialty propcraft’ means a vessel that is similar in appearance and operation to a personal watercraft but is powered by an outboard or propeller‑driven motor.”

SECTION 2. Article 1, Chapter 21, Title 50 of the 1976 Code is amended by adding:

“Section 50‑21‑107. (A) For the purposes of this section:

(1) ‘Acceptable electronic format’ means an electronic image produced on a person’s cellular phone or other portable electronic device that displays all of the information in a policy declaration or other documentation as clearly as a paper policy declaration or other documentation.

(2) ‘Proof of insurance’ shall consist of a policy declaration page or other documentation, or a copy of a policy declaration page or other documentation, available in an acceptable electronic format that can be carried on a watercraft, personal watercraft, or specialty propcraft that reflects the watercraft, personal watercraft, or specialty propcraft coverage furnished to an insured by an insurance company. The presentment of proof of insurance in an acceptable electronic format does not:

(a) authorize a search of any other content of an electronic device without a search warrant or probable cause; or

(b) expand or restrict the authority of a law enforcement officer to conduct a search or investigation.

(B) It shall be unlawful for the owner of a watercraft of more than seventy horsepower, or a personal watercraft or specialty propcraft, that is titled in this State or is documented by the United States Coast Guard with a hailing port located in this State to allow the operation of the watercraft, personal watercraft, or specialty propcraft on the waters of this State unless it is covered by a liability insurance policy that has been issued by an insurance company. The insurance policy must provide at least fifty thousand dollars of combined liability coverage for bodily injury to others, or the destruction of the property of others, resulting from any one occurrence.

(C) Each applicant for a watercraft title and registration, and each applicant for a registration renewal, of a watercraft of more than seventy horsepower, or a personal watercraft or specialty propcraft, shall certify to the department that the watercraft, personal watercraft, or specialty propcraft is covered by an insurance policy that meets the requirements of this section.

(D) Insurance companies shall not be required to provide proof of insurance that may be conveniently carried if the insurance coverage is provided as part of a homeowner’s insurance policy. Insurance companies are not required to notify the department of any lapse or cancelation in insurance coverage.

(E)(1) If a watercraft of more than seventy horsepower, or a personal watercraft or specialty propcraft, is involved in an accident on the waters of this State, then failure to present proof of insurance coverage that meets the requirements of this section creates a rebuttable presumption that the watercraft, personal watercraft, or specialty propcraft is uninsured.

(2) Upon a showing that liability coverage required by this section was in effect at the time of an accident, a judge may dismiss a charge imposed under this section, and the penalties may not be imposed. However, if the operator of a watercraft of more than seventy horsepower, or a personal watercraft or specialty propcraft, is involved in an accident on the waters of this State and the watercraft, personal watercraft, or specialty propcraft is not insured as required by this section, then the owner of the watercraft, personal watercraft, or specialty propcraft shall be deemed guilty of a misdemeanor.

(F) A person who violates the provisions of this section:

(1) for a first offense, must be fined not less than fifty dollars and not more than two hundred fifty dollars;

(2) for a second offense, must be fined not less than two hundred fifty dollars and not more than five hundred dollars; and

(3) for a third or subsequent offense, must be fined not less than five hundred dollars and not more than one thousand dollars, imprisoned for up to one year, or both.

(G) All fines collected pursuant to this section shall be deposited into the general fund and credited to the department for the purpose of establishing, maintaining, and operating a program for boater training and boater safety throughout the State.”

SECTION 3. Section 50-23-20 of the 1976 Code is amended to read:

“Section 50-23-20. Any watercraft ~~or~~ and outboard motor~~, or both,~~ held or principally used in this State must be dually titled by the department. An owner of a watercraft ~~or~~ and outboard motor titled in this State must notify the department within thirty days if ownership is transferred to another person, entity, or transferred out of state or otherwise disposed.”

SECTION 4. Section 50-23-35 of the 1976 Code is amended to read:

“Section 50-23-35. (A) No dual title for a watercraft ~~or~~ and outboard motor may be issued by the department if currently titled in this State or titled or registered in another state unless it is accompanied by a receipt from the applicant's appropriate county official stating payment of ad valorem taxes due for the tax year in which the ownership was initiated has been paid. Applications submitted more than one year after ownership was initiated must be accompanied by paid tax receipts for all subsequent years up to the date the application was accepted by the department.

(B) A dual title for a watercraft ~~or~~ and outboard motor sold by a permitted marine dealer is exempt from the requirement for a paid tax receipt and may be titled by the department without the receipt indicating ad valorem taxes have been paid. The department must transmit daily a list of the titles and certificates of registration issued under this exemption to the respective county official for collection of ad valorem taxes.

(C) No receipt is required for a watercraft ~~or~~ and outboard motor designated as exempt from ad valorem taxes by the appropriate county official, provided that each county makes such a determination when a watercraft ~~or~~ and outboard motor is dually titled in their respective county.”

SECTION 5. This act takes effect January 1, 2022.

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