

under penalty of perjury or similar penalties as prescribed by State law. The term "REDUNDANT" must be clearly and permanently marked on the face of a redundant COO.

(e) Dealers or manufacturers must be required to maintain for at least 3 years a record of any vessel bought, sold, exchanged, or received for sale or exchange, and open such records for inspection by the State.

§ 187.309 What are the requirements for transfer of title?

To complete the sale, assignment, or transfer of a titled vessel, a State must require that a manufacturer, dealer, or individual must deliver the vessel's certificate of title to the new owner or new owner's designee, except for transfers by operation of law or order of court.

§ 187.311 What are the application requirements for a certificate of title because of a transfer by operation of law or order of court?

A State must require a new owner to apply for a certificate of title within a specified period of time, not to exceed 60 days, after ownership of a vessel is transferred by operation of law or order of court. This application must include an original or authenticated copy of the legal transfer document.

§ 187.313 Must a State honor a prior State title, Coast Guard documentation, and foreign registry?

(a) A State must honor a title issued by another State as proof of ownership for transfer or sale of a vessel and for applying for a certificate of number or title in the new State of principal operation.

(b) A State must honor a Coast Guard-issued Certificate of Ownership or a Certificate of Deletion as proof of ownership and deletion from documentation.

(c) A State must honor an authenticated copy of a foreign registry, or evidence of deletion from the foreign registry, as proof of ownership and deletion from the foreign registry.

§ 187.315 What happens when a title is surrendered for the purposes of documentation?

A State title is invalid when it is surrendered to the Coast Guard in exchange for a Certificate of Documentation. Upon notification from the Coast Guard of the surrender of a title, a State must process the cancellation of the title.

§ 187.317 What information must be on a certificate of title?

(a) A certificate of title must contain the following information concerning the vessel:

(1) Names of all owners (individuals, businesses, and organizations).

(2) Address of one individual, business, or organization owning the vessel.

(3) Title number.

(4) Date of issuance of title.

(5) Vessel identifier under § 187.9.

(6) Name of manufacturer, builder, or make.

(7) Model year, manufacture year, or year built.

(8) Overall length.

(9) Vessel type. Authorized terms are "open motorboat", "cabin motorboat", "auxiliary sail", "sail only", "personal watercraft", "pontoon", "houseboat", "rowboat", "canoe/kayak", or "other".

(10) Hull material. Authorized terms are "wood", "aluminum", "steel", "fiberglass", "rigid hull inflatable", "rubber/vinyl/canvas", or "other".

(11) Propulsion type. Authorized terms are "propeller", "sail", "water jet", "air thrust", or "manual".

(12) Engine drive type. Authorized terms are "outboard", "inboard", or "inboard/stern drive".

(13) Name of each secured party.

(14) Address (city and State) of each secured party.

(15) Recording or perfection date of new security interest and original recording or perfection date of any security interest outstanding.

(b) Space must be provided on the title form for assignment of interests in the vessel, with a signed certification that the statements made are true and correct to the best of the owner's knowledge, information, and belief, under penalty of perjury or similar penalties as prescribed by State law.

§ 187.319 What are the requirements for applying for a redundant title?

(a) A State must require the holder (owner or secured party) of an original title to apply for a redundant title after the discovery of the loss, theft, mutilation, or destruction of the original.

(b) The holder must provide information, declared under penalty of perjury or similar penalties as prescribed by State law, concerning the original certificate and the circumstances of its loss, theft, mutilation, or destruction.

(c) The holder must surrender to the State any recovered original title or remains.

(d) The State must clearly and permanently mark the face of a redundant certificate of title with the term "RE-DUNDANT."

§ 187.321 What are the hull identification number (HIN) provisions?

A State must—

(a) Upon proof of ownership, assign an HIN and require that it be affixed to a vessel that does not have an HIN at the time of application for certificate of number or title; and

(b) Prohibit removal or alteration of an HIN without authorization from the Commandant.

§ 187.323 What are the procedures for perfection of security interests?

(a) A State must specify, at a minimum, the following procedures for perfection of a security interest in a vessel titled in that State:

(1) Submission of an application for new or amended certificate of title on which the secured party must be noted.

(2) Surrender of any outstanding certificate of number and any outstanding title issued by another State.

(3) Surrender of the Certificate of Documentation of any documented vessel that is to be numbered and titled by the State.

(4) Submission of an authenticated copy of any foreign registry of the vessel and evidence of deletion from the foreign registry of the vessel that is to be numbered and titled by the State.

(5) Determination of the date of perfection.

(b) A State must recognize, under 46 U.S.C. 31322(e)(1), that, if a vessel is

covered by a preferred mortgage when an application for a certificate of title is filed in that State, then the status of the preferred mortgage covering the vessel is determined by the law of the jurisdiction in which the vessel is currently titled or documented.

(c) A State must recognize, under 46 U.S.C. 31322(d)(2), that, if a vessel titled in a State is covered by a preferred mortgage, that mortgage will continue to be a preferred mortgage even if the vessel is no longer titled in the State where the mortgage, instrument, or agreement granting a security interest perfected under State law became a preferred mortgage.

(d) A State must recognize, under 46 U.S.C. 31322(d)(1), the preferred status of a mortgage, instrument, or agreement granting a security interest perfected under State law covering the whole of a vessel titled in a State after the Commandant has certified that State's titling system and the State participates in VIS with respect to the vessel.

(e) The State must provide that the perfection procedures required to be established under this section do not apply to—

(1) A lien given by statute or rule of law to a supplier of services or materials for the vessel;

(2) A lien given by statute to the United States, a State, or a political subdivision thereof;

(3) A lien arising out of an attachment of a vessel;

(4) A security interest in a vessel created by a dealer or manufacturer who holds the vessel for sale, irrespective of whether the vessel is titled;

(5) A security interest claimed in a vessel's proceeds, as defined in the Uniform Commercial Code in effect in the State, if the security interest in the vessel did not have to be noted on a vessel's title in order to be perfected; or

(6) Any vessel for which a certificate of title is not required in the State.

§ 187.325 Is a State required to specify procedures for the assignment of a security interest?

Yes, a State must specify the procedures that apply to the assignment of a