

## DEPARTMENT OF TRANSPORTATION

## Coast Guard

## 33 CFR Part 187

[CGD 89-050]

RIN 2115-AD35

## Vessel Identification System

AGENCY: Coast Guard, DOT.

ACTION: Interim final rule with request for comments.

**SUMMARY:** The Coast Guard is establishing a vessel identification system (VIS), as required by statute, which includes guidelines for State vessel titling systems, procedures for certifying compliance with those guidelines, and rules for participation in this system for undocumented vessels. VIS, in conjunction with current Coast Guard vessel documentation information, will provide a nationwide pool of vessel and vessel owner information that will help in identification and recovery of stolen vessels and deter vessel theft. A mortgage that covers the whole of an undocumented vessel and is perfected in a State that both participates in VIS and holds certification of compliance with guidelines for State vessel titling systems will be deemed to have preferred mortgage status.

**DATES:** This rule is effective on April 24, 1996. Comments must be received on or before July 24, 1995.

**ADDRESSES:** Comments may be mailed to the Executive Secretary, Marine Safety Council (G-LRA/3406), (CGD 89-050), U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593-0001, or may be delivered to room 3406 at the same address between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays. The telephone number is (202) 267-1477.

The Executive Secretary maintains the public docket for this rulemaking. Comments will become part of this docket and will be available for inspection or copying at room 3406, U.S. Coast Guard Headquarters, between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** CDR Keith Cameron, Office of Marine Safety, Security and Environmental Protection, Information Management Division (G-MIM), (202) 267-0385.

**SUPPLEMENTARY INFORMATION:****Request for Comments**

The Coast Guard encourages interested persons to participate in this rulemaking by submitting written data,

views, or arguments. Persons submitting comments should include their names and addresses, identify this rulemaking (CGD 89-050) and the specific section of this rule to which each comment applies, and give the reason for each comment. Please submit two copies of all comments and attachments in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. Persons wanting acknowledgment of receipt of comments should enclose stamped, self-addressed postcards or envelopes.

The Coast Guard will consider all comments received during the comment period. It may change this rule in view of the comments.

The Coast Guard plans no public hearing. Persons may request a public hearing by writing to the Marine Safety Council at the address under **ADDRESSES**. The request should include the reasons why a hearing would be beneficial. If it determines that the opportunity for oral presentations will aid this rulemaking, the Coast Guard will hold a public hearing at a time and place announced by a later notice in the **Federal Register**.

**Drafting Information**

The principal persons involved in drafting this document are CDR Keith Cameron, Project Manager, Office of Marine Safety, Security and Environmental Protection and Helen Boutrous, Project Counsel, Office of Chief Counsel.

**Regulatory History**

On October 5, 1993, the Coast Guard published a notice of proposed rulemaking (NPRM) entitled Vessel Identification System in the **Federal Register** (58 FR 51920). The Coast Guard received 27 letters commenting on the NPRM. No public hearing was requested, and none was held.

**Background and Purpose**

The Secretary of Transportation is required to establish VIS; to prescribe the manner and form for participating States to make information available to VIS; to establish guidelines for State vessel titling systems; and to establish procedures for certifying compliance with those guidelines (46 U.S.C. chapters 125, 131 & 313). The Secretary has delegated to the Commandant, U.S. Coast Guard, the authority to implement VIS. State participation in VIS is entirely voluntary, however, in order to participate, States must comply with certain requirements to ensure the integrity and uniformity of the information provided to VIS.

This interim final rule establishes the minimum requirements for States electing to participate in VIS. VIS will comprise a nationwide information system for identifying recreational vessels that are either numbered in accordance with 46 U.S.C. 123 or titled under the laws of a State. VIS will include information identifying vessels and vessel owners, and information to assist law enforcement officials in the investigation of stolen vessels. Most of the information to be included in VIS is already collected by States that number vessels in accordance with 33 CFR 174.17. This and other information collected by the States will be automatically accessed by VIS, resulting in a central, nationwide pool of vessel information, while minimizing the burden of participating States. Once the VIS requirements are effective, the Coast Guard will begin to work with participating States to coordinate VIS access.

This interim final rule also prescribes guidelines for State vessel titling systems and the procedures for obtaining certification of compliance with those guidelines. Under 46 U.S.C. 31322(d), perfected mortgages covering the whole of a vessel titled in a State that both participates in VIS and has a vessel titling system that has been certified as meeting the titling guidelines issued by this interim final rule will be deemed to have preferred mortgage status. Compliance with the State titling guidelines and requests for certification of that compliance is entirely voluntary. However, preferred mortgage status under 46 U.S.C. 31321(d) is conditioned upon both participation in VIS and certification of compliance with the State titling guidelines issued by this interim final rule.

This action is being published as an interim final rule to allow for public comment on a provision, § 187.315, that has been added to the State vessel titling requirements since publication of the NPRM. Also, this action is being published with an effective date of one year from today's date. This effective date will allow States affected by a statutory amendment to 46 U.S.C. chapter 121, which becomes effective one year from the effective date of the State titling guidelines issued as a part of this interim final rule, time to review, and if necessary, amend their vessel titling requirements. These issues are addressed in greater detail in the discussion of § 187.315 later in this preamble.

It is not anticipated that VIS will be operational before the effective date of this interim final rule. Publishing the

VIS requirements now, however, will provide States with the information necessary to prepare for participation in the voluntary VIS system.

### Discussion of Comments and Changes

All of the comments received were considered in the development of this interim final rule. The issues raised by the comments received, and the sections which have been revised or added since publication of the NPRM, are discussed below. Some sections were revised or reorganized for clarity.

#### Subpart A—General

##### § 187.1 Applicability.

VIS will cover vessels that are numbered or titled under the laws of a State. Information pertaining to vessels which are documented by the Coast Guard will continue to be collected under the current regulations. Many of the comments suggested that documented vessels be covered by the VIS requirements. After analyzing the merits of applying the VIS requirements to documented vessels, the Coast Guard determined that it will be more efficient to maintain the current Coast Guard data base on documented vessels, and allow increased access to that information through VIS. Therefore, documented vessels will not be covered by the vessel identification system requirements of this interim final rule. Users of VIS will, however, have access to a nationwide pool of information on recreational vessels, whether documented or undocumented, because the planned enhancement of the documentation data base will allow access to the Coast Guard's data base on documented vessels through VIS. The Coast Guard currently maintains an information system on over 200,000 vessels documented under 46 U.S.C. chapter 121. Maintaining this documentation system, while allowing access to the data base through VIS, satisfies the statutory goal of establishing a nationwide vessel data base and is more efficient than discontinuing the existing documentation record keeping system.

One comment suggested that the VIS final rule specifically exempt barges from VIS. The comment noted that the Abandoned Barge Act of 1992 amended 46 U.S.C. 12301 to require the numbering of undocumented barges greater than 100 gross tons. The Coast Guard published a notice on October 18, 1994, seeking comments on the development of a numbering system for barges (59 FR 52646). Currently, barges are not numbered, and the Coast Guard is in the early stages of developing a mandatory numbering system. Because

this interim final rule applies only to vessels that are numbered or titled under the laws of a State, barges are not currently covered by VIS. As the Coast Guard's efforts to establish a barge numbering system continue, the Coast Guard will examine whether a specific exclusion of barges from VIS is appropriate. The Coast Guard will propose future amendments to VIS, if necessary.

##### § 187.3 Definitions.

One comment suggested that the Coast Guard add the definition of "titled vessel" to § 187.3 and another comment suggested adding the definition of "perfection". Under § 187.303, the Coast Guard requires that participating States define most of the terms included in § 187.3 in their titling systems substantially as those terms are defined by the Coast Guard. Therefore, in order to allow the States the most flexibility possible in establishing approved titling systems, the Coast Guard has attempted to minimize the number of required definitions. The Coast Guard agrees that a definition of the term "titled vessel" would be helpful, and a definition of that term has been added. However, the term "perfection" will be left to the States to define in accordance with their own titling systems. The definition of the term "person" has been revised to be consistent with the definition provided in the regulations regarding State numbering system requirements at 33 CFR 173.3(e). This revision is intended to result in no substantive change.

##### § 187.5 Vessel identifier.

Many comments objected to the use of "VIN" as an acronym for "Vessel Identification Number." The comments suggested that this acronym would confuse law enforcement personnel who are far more familiar with VIN meaning Vehicle Identification Number. The Coast Guard agrees with these comments and will not use the acronym VIN in the VIS regulations. The title of the section has been revised accordingly.

Some of the comments revealed a misunderstanding of this provision by objecting to the establishment of a new number. VIS will not establish a new numbering system for vessels. For purposes of identifying a vessel within VIS, the number to be used will be the hull identification number (HIN) assigned to an undocumented vessel in accordance with Subpart C of part 181. Several comments suggested that documented vessels be identified within VIS by their HIN. However, as discussed above, the Coast Guard is maintaining

its existing data base on documented vessels which uses the Coast Guard Official Number to identify vessels within the current documentation system. Therefore, it will be necessary to keep the Coast Guard Official Number as the primary identifier for documented vessels. Information on documented vessels, such as owner name, Official Number, HIN if one has been assigned, length, and hailing port, will be available through VIS.

Several comments suggested that § 187.5(c), which requires States to assign an HIN to vessels under certain circumstances, will be problematic for States. The comments stated that the requirement leaves no room for discretion by the States to refuse to assign an HIN to a vessel which the State may believe to be stolen. These comments suggested replacing the word "shall" with "may" in paragraph (c). The Coast Guard disagrees with these comments. The HIN will be the primary identifier for all State registered or numbered vessels in the United States. Section 187.5(b) allows for the use of other identifiers, such as the number issued on a certificate of number by the issuing authority of a State, only where a vessel does not have an HIN (e.g., a vessel built prior to 1972). However, under § 187.5(c), if the ownership or State of principle use of the vessel changes, the State is required to assign an HIN to that vessel, just as States currently do under the authority of 33 CFR 181.31(c) for "backyard boat builders". The HIN must meet the format requirements of 33 CFR 181.25. States may impose any controls necessary to ensure HINs are assigned appropriately. Section 187.5(c) has been revised to clarify this issue for the States. The Coast Guard specifically invites comments on this revised provision from States that anticipate participating in VIS.

One comment suggested that VIS require mandatory inspection of a vessel prior to a State assigning an HIN. While the Coast Guard agrees that inspections could lessen the probability of illegal action by those attempting to obtain an HIN, it is the Coast Guard's position that the decision to implement such procedures should be left to the individual States.

Several comments suggested requiring that all documented vessels be assigned an HIN. Vessels manufactured or used primarily for noncommercial use (33 CFR 181.3), the only vessels included in VIS, are currently required to have an HIN, whether they are documented or not. However, as discussed above, to utilize the existing database of information on documented vessels, it

will be necessary to use the Coast Guard Official Number as the primary identifier for a documented vessel.

**Subpart B—Information to be Collected by Participating States**

**§ 187.101 Information to identify a vessel owner.**

Many comments objected to the provision that would have required participating States to collect information on the percentage of ownership interest of each owner for each vessel. Many comments also objected to the proposed requirement to obtain the address of each owner. These comments contended that collecting this amount of information would be overly burdensome. The Coast Guard agrees with the comments on this matter, and § 187.101 has been revised to lessen the information burden. This interim final rule requires the State to obtain the name of each owner of a vessel, but does not require States to collect any information regarding the percentages of ownership interest. Further, States are required to obtain the address of only one owner.

Several comments objected to the collection of an individual owner's Social Security Number or, where not available, date of birth and driver's license number. The comments indicated that some States do not allow the required collection of an individual's social security number, and not all individuals have a driver's license. For an effective information and identification system, there must be a method of identifying the owner of a vessel beyond the individual's name. The Coast Guard included collection of date of birth and driver's license number to assist those States that may have problems collecting Social Security Numbers. To alleviate the situation that may arise for a State where no Social Security Number or driver's license number is available, the Coast Guard will accept, in such situations only, the individual's date of birth and alternative information identifying the individual vessel owner as specified by the regulations of the State or issuing authority.

**§ 187.103 Information to identify a vessel.**

Most of the comments agreed with the NPRM regarding the information to be collected to identify a vessel.

One comment suggested that information regarding a vessel's type of propulsion is too detailed for inclusion in VIS. However, it is the Coast Guard's position that a vessel's type of propulsion is an excellent means, in combination with other information, to identify a vessel. Propulsion type

greatly influences the value of a vessel, and this information is currently required to be collected by States with authorized numbering systems under 33 CFR 174. Therefore, inclusion of this information in VIS will cause no additional information collection requirement for these States. However, the term "jet drive" has been removed from the list of propulsion types to be consistent with the list of propulsion types provided in the regulations regarding State numbering system requirements at 33 CFR 174.19.

One comment argued that the final rule should not require the collection of the vessel number previously issued by an issuing authority. It is the Coast Guard's position that this is valuable information in assisting in the identification of a vessel. Also, like propulsion type, this information is required to be collected by States with authorized numbering systems under 33 CFR part 174 and represents no increased burden for these States that choose to participate.

**§ 187.105 Information on titled vessels.**

There was general agreement among those commenting regarding the information to be collected on titled vessels by a participating State.

One comment however, disagreed with the requirement to collect information regarding evidence of a lien or other security interest. The comment argued that the information would not be helpful. Also, the comment argued that it would be difficult to collect information regarding evidence of a lien kept in another State. Under 46 U.S.C. 12501(b)(5), VIS must include information on titled vessels indicating where evidence of a lien or other security interest may be found against the vessel in that State. Therefore, the requirement to collect information indicating where evidence of a lien may be found is retained in this interim final rule. Section 187.105(a)(3) has been revised, however, to clarify that a State must collect information regarding evidence of a lien or other security interest found in that State only.

**§ 187.107 Information to assist law enforcement officials.**

Several of the comments agreed with the requirements of § 187.107 as proposed. The information listed in paragraph (a) of § 187.107 (report of loss or theft, point of contact) is required to be collected, while collection of the more detailed information listed in paragraph (b) is optional. One comment suggested that the Coast Guard require the collection of the information listed in both paragraphs (a) and (b). The Coast

Guard encourages participating States to collect the detailed information listed in paragraph (b). However, in the interest of putting the least possible burden on participating States while still meeting the needs of the VIS system, the Coast Guard has determined that, for now, collection of the information listed in paragraph (b) will remain optional. The Coast Guard has been working with the Criminal Justice Information Service, Department of Justice, regarding the mutual supporting roles of the National Crime Information Center (NCIC) and VIS. Because much of the information listed in paragraph (b) is contained in NCIC's Boat File, collection of that information will not be required in this rulemaking.

**Subpart C—Vessel Identification System Participation Requirements**

**§ 187.201 Participating State requirements.**

Paragraph (b) was reserved in proposed § 187.201. It has been determined that additional requirements are not necessary in that section and the paragraphs of § 187.201 have been redesignated accordingly. Also, a printing error in the wording of proposed § 187.201(a)(6) (now § 187.201(f)) has been corrected in this interim final rule.

One comment stated that the retention of previously issued certificates of number or titles would be overly burdensome. This section requires a State to collect old, no longer valid, certificates of number and title when issuing new certificates of number or titles. The State may retain or dispose of the old documents as it sees fit. Because a State is free to dispose of these invalid records, the Coast Guard does not agree that the provision is overly burdensome and the provision is retained.

Two comments suggested that compliance with the participation requirements would be easier if States are allowed to use microfiche technology. States are free to use such technology or other methods of electronic storage where appropriate. This rulemaking does not address how that information is to be stored by the States. As discussed earlier, and in § 187.201(a), Coast Guard-State Cooperative Agreements will be developed to specify the manner and form that information will be accessed by VIS.

Several comments suggested that participation in VIS be made mandatory for States. There is no statutory authority to require participation in VIS. Under 46 U.S.C. chapter 125, participation in VIS by the States is to be voluntary.

One comment suggested that the Coast Guard utilize an existing system, the American Association of Motor Vehicles Administrator's network (AAMVANET) rather than develop VIS. It was further suggested that a "pointer system" such as used in AAMVANET, would eliminate the need for a participating State to maintain two systems. VIS, which the Coast Guard is required by statute to create, will automatically access information collected by participating States from their databases. There will be no need for participating States to maintain two systems. The purpose of VIS is to create a national vessel database that consists of the information collected by States during numbering and titling procedures. There will be no need for a participating State to enter any vessel data twice. VIS will contain data that has been electronically copied.

One comment suggested that the project was redundant, would place a paperwork burden on the States, and would be funded by a boat tax. VIS will be the first nationwide pool of information containing the vessel and vessel owner information prescribed by this interim final rule. The framework of the system has been designed to minimize any additional burden on participating States. Almost all of the information required is currently collected by States with numbering or titling systems. There will be no need for these States to collect the information a second time. As discussed, the information will be automatically accessed or accepted by VIS. Therefore, the Coast Guard estimates that participation will not be burdensome for participating States. Finally, there is no "boat tax" associated with this rulemaking or the enabling legislation. Funding for the establishment of VIS is provided through the Coast Guard appropriations process.

#### **Subpart D—Guidelines for State Vessel Titling Systems**

##### **§ 187.301 Eligibility for preferred mortgage status.**

One comment suggested that preferred mortgage status would not be available as described in the NPRM. The comment questioned the "legality of assigning 'preferred mortgage status' to instruments recorded within" VIS. No "instruments" will be "recorded" within VIS. VIS is an information data base only. As for preferred mortgage status, 46 U.S.C. 31322(d)(1)(A) and (B) state that a mortgage perfected under State law, covering the whole of a vessel, is deemed to be a preferred mortgage if the State's titling system is

certified to be in compliance with the titling guidelines issued by the Secretary, and if information on the vessel covered by the mortgage is made available to VIS. Therefore, § 187.301 remains unchanged.

##### **§ 187.305 Application for title.**

In the NPRM, § 187.305(a) proposed that States require application for a title within a specified period of time, not to exceed 90 days, after a change in ownership. Many of the comments suggested that the period of time required to apply for a title be changed to within 60 days of a change in ownership. The Coast Guard agrees with this suggestion and the provision is revised accordingly.

One comment suggested that the phrase "first purchased" be removed from paragraph (a). However, the Coast Guard has decided to retain this phrase in the provision to distinguish between an act requiring an initial application for title and other acts transferring the title.

Many comments disagreed with the requirement in paragraph (b) to include the amount of indebtedness covered by any security agreement pertaining to the vessel in its titling application form. The comments indicated that this requirement constituted unnecessary detail in the application process. The Coast Guard agrees that including the amount of indebtedness on a vessel in the titling application form does not serve a sufficiently useful purpose to outweigh the burden of collection of that information. Consequently, this interim final rule requires that the titling application form include an entry indicating whether there is indebtedness covered by any security agreement pertaining to the vessel, but does not require disclosure of the actual amount.

##### **§ 187.307 Dealer and manufacturer provisions.**

Many of the comments disagreed with paragraphs (a) and (b) of proposed § 187.307. Paragraph (a) proposed to require States to require dealers to report acquisition of a used numbered vessel for resale, and allow them to apply for a certificate of title. Paragraph (b) proposed to require States to require dealers to apply for a certificate of title for a used unnumbered vessel acquired for resale if the vessel is required to be titled. The comments contended that these provisions are unclear. One comment stated that paragraphs (a) and (b) are unnecessary because paragraph (a) merely allows something that States could do without such a provision, and very few vessels fit the description in

paragraph (b). A different comment argued that requiring dealers to apply for title as described in paragraph (b) would cause procedural burden. The Coast Guard has revised paragraph (a) to clarify that States must require dealers to either report acquisition of used vessels for resale, or, title these vessels if State law requires such vessels to be titled. Paragraph (b) is deleted.

One comment suggested that the Coast Guard increase the length of time that dealers and manufacturers must maintain records from 3 to 10 years. Another suggested that the 3 year requirement be decreased. The Coast Guard's position is that 3 years is a sufficient amount of time to retain such records without placing an undue burden on dealers and manufacturers.

Paragraph (d) requires dealers and manufacturers to provide to the vessel owner a certificate of origin (COO), or other document, at the time of delivery of a new vessel. Several comments suggested requiring that manufacturers supply a COO only and delete the words "or other documents". Other comments suggested specific contents to be required in a COO. The Coast Guard, in another rulemaking, is considering requirements for COOs (Expanded Hull Identification Number and New Requirements for Certificates of Origin [CGD 92-065]; May 6, 1994; 59 FR 23651). Such requirements have not been considered as a part of this rulemaking. If future requirements for COOs are established, the VIS requirements can be amended if necessary. At the present time, there is no requirement that manufacturers issue COOs. Therefore, the language allowing for other documents such as a Builder's Certificate (CG 1261), is necessary.

##### **§ 187.311 Transfer by operation of law.**

Many comments suggested that the time limits set for accomplishing various requirements, such as applying for a certificate of title if a vessel is transferred by operation of law, as required in § 187.311, and after a transfer in ownership, as required in § 187.305(a), be consistent throughout the titling guidelines. Most comments preferred a 60 day time limit. Consequently, this interim final rule changes the time limit proposed in § 187.311 from "not to exceed 90 days" to "not to exceed 60 days."

##### **§ 187.315 Surrender of title for purposes of documentation.**

Under Federal law, a vessel must be documented by the Coast Guard if it engages in coastwise trade, foreign trade, or fisheries. A recreational vessel is not required to be documented, but

may be if it meets eligibility requirements. In the past, some lending institutions have required recreational vessel owners to obtain Coast Guard documentation so that preferred mortgages may be recorded to protect security interests. After implementation of VIS, a mortgage may acquire preferred status under 46 U.S.C. 31322(d) if it is perfected under State law for a vessel titled in a State that both participates in VIS and has a titling system certified by the Coast Guard. However, some States may not choose to participate in VIS. Therefore, the Coast Guard will continue to provide documentation services for eligible vessels, whether or not required to be documented, in order to extend the opportunity to record a preferred mortgage to those vessels.

Although it was not specifically addressed in the NPRM, a comment noted that a 1989 amendment to 46 U.S.C. 12102 would render a vessel titled in a State ineligible for documentation by the Coast Guard. This amendment will become effective on April 25, 1997, one year after the effective date of these vessel titling guidelines.

The Coast Guard wishes to emphasize that the statutory prohibition applies to all State-titled vessels, whether or not the State that issued the title participates in VIS or follows these titling guidelines. If a vessel owner has obtained a State title for purposes of convenience, the owner must choose to surrender either the State title or the Certificate of Documentation. For a vessel engaged in a trade for which documentation is required under Federal law, the owner could not choose to relinquish the Certificate of Documentation and continue to employ the vessel in trade. Three States (Iowa, New Jersey, and Vermont) currently require that a vessel receive a State title if the owner resides in the State or the vessel is principally used in the State, whether or not the vessel is documented by the Coast Guard. The Coast Guard's position is that, for vessels required to be documented under Federal law, the Federal documentation requirement preempts the State titling requirement. The vessel's Certificate of Documentation will remain valid and the State title will be void, even if a title is required by State law.

However, this preemption does not extend to recreational vessels not required to be documented by Federal law. As of the effective date of the amendment, a recreational vessel titled by a State is ineligible for documentation, and any existing Certificate of Documentation will be

invalid. The vessel owner will have to either surrender the title to the issuing State authority before April 25, 1997 or surrender the Certificate of Documentation to the Coast Guard. However, an owner will be unable to surrender the title if the vessel is required to be titled under State law.

To address this issue, a new provision, entitled "Surrender of title for purposes of documentation", has been added to the State titling guidelines. To obtain certification of compliance with the guidelines, a State would have to deem a State-issued title invalid if a vessel owner surrenders the title to the Coast Guard for the purpose of obtaining Coast Guard documentation. The Coast Guard would return the title to the issuing State. This is intended to prevent an owner from establishing dual chains of ownership, and is consistent with current practice in most States. States generally accept surrender of title when a vessel is purchased by an out-of-State owner or an owner moves to a different State and applies for a new title and registration. A similar process is used for automobile titles.

This provision was not included in the NPRM. Therefore, the Coast Guard is promulgating this action as an interim rule to allow interested parties the opportunity to comment. The Coast Guard specifically requests comments from States on the impact of the statutory amendment and the surrender guidelines. Additionally, the Coast Guard has delayed the effective date of this rule until April 25, 1996 to allow States time to review their titling requirements and make any necessary changes.

#### **§ 187.317 Information on a certificate of title.**

Many comments argued against including the percentage of ownership interest and the address of every owner on certificates of title. These comments came from State officials who explained that often many people may own a boat and including the percentage of ownership and each address on certificates of title would be burdensome and unhelpful. Also, many married couples own boats jointly and it would serve no purpose to indicate the percentage of ownership between them. None of those States commenting on this issue currently collect this information. The Coast Guard agrees with these comments and has revised § 187.317 to require the name(s) of all current owner(s) and the address of one of the owners.

Only one comment argued against the recording of liens on certificates of title.

Lien information is specifically required to be included in VIS under 46 U.S.C. 12501(b)(5). Lien information is very important in the development of the integrated boat information and titling system envisioned by Congress. Therefore, the requirement to include lien information on the certificate of title is retained in this interim final rule.

#### **§ 187.319 Duplicate title.**

Several comments suggested revisions to § 187.319. The NPRM required that the word "duplicate" be "stamped" across the face of a duplicate certificate of title. The comments noted that other means of marking the document besides "stamping" it should be allowed, and the marking should not be required to be "across" the face of the document. The Coast Guard agrees with these comments and has revised this provision to require that the word "duplicate" be "clearly and permanently marked on" the face of the document.

One comment argued that duplicate certificates of title should not be allowed. The Coast Guard does not agree with this comment. Circumstances such as loss, theft, or destruction of the document can arise and after the State has inquired into those circumstances as required by this section, a duplicate certificate of title should be available to the owner.

Another comment suggested specifying a period of time in which an owner must apply for a duplicate certificate of title. In the interest of allowing States wishing to comply with these titling guidelines as much flexibility as possible in designing titling programs for their States, the Coast Guard has decided to leave to the States the determination of the appropriate amount of time within which an owner must apply for a duplicate certificate of title.

#### **§ 187.321 Hull identification number provisions.**

Several comments suggested that the provisions of § 187.321 be optional for States complying with the guidelines. The Coast Guard does not agree with this suggestion. Section 187.321 requires States that seek certification of compliance with the guidelines to: assign an HIN to an undocumented vessel without an HIN at the time of registration upon transfer of ownership or change in State of principal operation; assign an HIN to an undocumented vessel without an HIN at the time of title application and record the HIN on the certificate of title; and prohibit the removal or alteration of an HIN without the authorization of the

Commandant. The proper assignment of an HIN to a vessel that previously did not have one, whether because of its age or because the manufacturer failed to permanently affix one, will protect the new owner and assist law enforcement efforts. Proper identification of vessels is vital to the success of the VIS and law enforcement efforts.

One of these comments also suggested that States be allowed to authorize the removal of an HIN. However, the Coast Guard has determined that this authority should remain with the Coast Guard consistent with the HIN requirements at 33 CFR 181.35.

### Regulatory Evaluation

This action is not a significant regulatory action under section 3(f) of Executive Order 12866 and does not require an assessment of potential costs and benefits under 6(a)(3) of that order. It has not been reviewed by the Office of Management and Budget under that order. It is not significant under the regulatory policies and procedures of the Department of Transportation (44 FR 11040; February 26, 1979). The Coast Guard expects the economic impact of this interim final rule to be so minimal that a full Regulatory Evaluation under paragraph 10(e) of the regulatory policies and procedures of DOT is unnecessary. This interim final rule implements the provisions of the Act requiring the establishment of VIS, and establishes requirements for States that elect to participate in VIS, guidelines for State vessel titling systems, and procedures for certifying compliance with those guidelines. Participation in VIS and compliance with the guidelines for State vessel titling systems is entirely voluntary. Most of the information to be included in VIS is already collected by States when registering vessels within the State. Preliminary review of titling laws, regulations and administrative procedures of 28 States revealed that 21 of the State vessel titling systems would comply with most or all of the titling guidelines issued by this interim final rule. The overall impact of this rule will be the improvement of vessel and owner identification, and a potential decrease in the amount of information that is collected, other than for vessel registration, to identify a vessel or owner by State and Federal officials.

### Small Entities

It is anticipated that the VIS computer system will facilitate the collection of information directly from State computer files. The impact of the rulemaking will be on States electing to participate in VIS, rather than on small

entities. Most of the information to be included in VIS is already collected by States when registering vessels within the State and by States that title vessels.

Therefore, the Coast Guard certifies under 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) that this interim final rule will not have a significant economic impact on a substantial number of small entities.

### Collection of Information

This rule contains collection of information requirements. The Coast Guard has submitted the requirements to the Office of Management and Budget (OMB) for review under section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.), and OMB has approved them. The section numbers are: 187.7, 187.9, 187.101, 187.103, 187.105, 187.107, 187.201, and 187.301. The corresponding OMB control number is 2115-0607.

### Federalism

The Coast Guard has analyzed this rule in accordance with the principles and criteria contained in Executive Order 12612 and has determined that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

This rule is not expected to infringe upon the rights of States to regulate, or preempt existing State regulations. State participation is entirely voluntary. However, once electing to participate, a State must comply with the requirements to ensure integrity and uniformity of information in VIS. Likewise, requesting certification that a State vessel titling system complies with the guidelines is also voluntary. Such certification, for participating States, confers preferred status on mortgages covering the whole of vessels titled in that State.

However, an amendment to 46 U.S.C. 12102 prohibits vessels from being both documented and titled beginning one year after the effective date of the vessel titling guidelines. The statutory amendment applies to all vessel owners whether or not the State chooses to participate in VIS or follow the State titling guidelines. For vessels required to be documented under Federal law, the Federal documentation requirement preempts State titling requirements. This preemption does not extend to recreational vessels, for which documentation is not required by Federal law. States that require documented vessels to be titled may desire to amend their requirements regarding vessels that are required by Federal law to be documented.

### Environment

The Coast Guard considered the environmental impact of this rule and concluded that, under paragraph 2.B.2 of Commandant Instruction M16475.1B, this rule is categorically excluded from further environmental documentation. This rule establishes a nationwide information system for identifying vessels and vessel owners, and guidelines for State vessel titling systems. This action clearly would have no environmental consequences. A Categorical Exclusion Determination is available in the docket for inspection or copying where indicated under ADDRESSES.

### List of Subjects in 33 CFR Part 187

Marine safety, Reporting and recordkeeping requirements, Administrative practice and procedure.

For the reasons set out in the preamble, the Coast Guard amends chapter I of title 33, Code of Federal Regulations, by adding part 187 to read as follows:

### PART 187—VESSEL IDENTIFICATION SYSTEM

#### Subpart A—General

- Sec.
- 187.1 Applicability.
  - 187.3 Definitions.
  - 187.5 Vessel identifier.
  - 187.7 Participation procedures.
  - 187.9 Procedures for certification of compliance with guidelines for State vessel titling systems.

#### Subpart B—Information To Be Collected by Participating States

- Sec.
- 187.101 Information to identify a vessel owner.
  - 187.103 Information to identify a vessel.
  - 187.105 Information on titled vessels.
  - 187.107 Information to assist law enforcement officials.

#### Subpart C—Vessel Identification System Participation Requirements

- Sec.
- 187.201 Participating State requirements.
  - 187.203 Voluntary provisions for participating States.

#### Subpart D—Guidelines for State Vessel Titling Systems

- Sec.
- 187.301 Eligibility for preferred mortgage status.
  - 187.303 Definitions.
  - 187.305 Application for title.
  - 187.307 Dealer and manufacturer provisions.
  - 187.309 Transfer of title.
  - 187.311 Transfer by operation of law.

- 187.313 Title of another State.  
 187.315 Surrender of title for purposes of documentation.  
 187.317 Information on a certificate of title.  
 187.319 Duplicate title.  
 187.321 Hull identification number (HIN) provisions.  
 187.323 Perfection of security interests.  
 187.325 Assignments.  
 187.327 Satisfaction of a security interest.  
 187.329 Forms.  
 187.331 Retaining information.

#### Appendix A to Part 187—Participating Authorities

#### Appendix B to Part 187—Participating And Certified Titling Authorities

Authority: 46 U.S.C. 2103; 49 CFR 1.46.

#### Subpart A—General

##### § 187.1 Applicability.

(a) This part establishes minimum requirements for States electing to participate in the vessel identification system (VIS) established under 46 U.S.C. chapter 125. This part also prescribes guidelines for State vessel titling systems and the procedures for obtaining certification of compliance with those guidelines for those States electing to establish titling systems to support preferred mortgages.

(b) This part applies only to vessels numbered or titled under the laws of a State. It does not apply to vessels documented under 46 U.S.C. chapter 121 and the regulations in 46 CFR parts 67 and 68.

##### § 187.3 Definitions.

The following definitions apply to terms used in this part.

*Certificate of Origin (COO)* means a document establishing the initial chain of ownership, such as manufacturer's certificate of origin (MCO) or statement of origin (MSO), importer's certificate of origin (ICO) or statement of origin (ISO), and builder's certification (Form CG-1261; see 46 CFR part 67).

*Commandant* means the Commandant of the United States Coast Guard.

*Dealer* means any person who engages wholly or in part in the business of buying, selling, or exchanging new 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 the sale, trade, and display of such vessels.

*Department or division* means the State agency designated to issue certificates of number or title, or both for vessels, and its duly authorized representatives.

*Documented vessel* means a vessel documented under 46 U.S.C. chapter 121.

*HIN* means the hull identification number assigned to an undocumented vessel in accordance with subpart C of part 181 of this subchapter.

*Issuing authority* means a State that has a numbering system approved by the Coast Guard or the Coast Guard where a State numbering system has not been approved.

*Lienholder* means a person holding a security interest.

*Manufacturer* means any person engaged in the business of manufacturing or importing new vessels for the purpose of sale or trade.

*Owner* means a person who claims lawful possession of a vessel by virtue of legal title or equitable interest in it that entitles that person to such possession.

*Participating State* means a State that has elected to participate in VIS and has been certified as complying with the participation requirements in subpart C of this part. Certified States participating in VIS are listed in Appendix A of this part.

*Person* means an individual, firm, partnership, corporation, company, association, joint-stock association, or governmental entity and includes a trustee, receiver, assignee, or similar representative of any of them.

*Security interest* means an interest that is reserved or created by an agreement and that secures payment or performance of an obligation and is valid against third parties generally.

*State* means a State of the United States, Guam, Puerto Rico, the Virgin Islands, American Samoa, the District of Columbia, the Northern Mariana Islands, and any other territory or possession of the United States.

*Titled vessel* means a vessel titled in accordance with the laws of a State.

*Titling authority* means a State whose vessel titling system has been certified by the Coast Guard as complying with the guidelines for State vessel titling systems listed in this part. Titling authorities participating in VIS are listed in Appendix B of this part.

*Vessel* includes every description of watercraft other than a seaplane on the water, used or capable of being used, as a means of transportation on water.

##### § 187.5 Vessel identifier.

(a) The vessel identifier is the hull identification number (HIN) assigned to an undocumented vessel in accordance with subpart C of part 181 of this subchapter. The vessel identifier for a documented vessel is the official number assigned by the Coast Guard in accordance with 46 U.S.C. chapter 121.

(b) If the vessel does not have an HIN, the vessel identifier for vessels subject

to the numbering requirements of parts 173 and 174 of this subchapter is the number issued on a certificate of number by the issuing authority for the State in which the vessel is principally operated.

(c) If a vessel subject to the numbering requirements of parts 173 and 174 of this subchapter is transferred to a new owner, or the vessel is required to be numbered in a new State of principal operation, or application for a title is made, a hull identification number meeting the format requirements of § 181.25 shall be assigned by the issuing authority for the State in which the vessel is principally operated in accordance with the State's established procedures if the vessel does not have a valid HIN.

##### § 187.7 Participation procedures.

(a) To participate in VIS, a State official within the department must submit a written request to the Commandant (G-NAB) and certify that the State will comply with the VIS participation requirements in subpart C of this part.

(b) Appendix A of this part lists those States that have elected to participate in VIS and comply with the participation requirements prescribed in this part. A State will remain listed in Appendix A of this part as long as it continues to comply with the participation requirements in subpart C of this part.

##### § 187.9 Procedures for certification of compliance with guidelines for State vessel titling systems.

(a) Under 46 U.S.C. 31322(d), a mortgage or instrument perfected under State law for a vessel titled under the law of a participating State is deemed to be a preferred mortgage if the State has been certified as complying with the guidelines in subpart D of this part.

(b) To obtain certification of compliance with the State titling guidelines, a State official within the department must submit a written request along with a copy of the State's titling laws, regulations and administrative procedures, to the Commandant (G-NAB), and certify that the State will comply with the participation requirements in subpart C of this part.

(c) The Commandant will review the material, and, if the State complies with the guidelines provided in subpart D of this part, certify compliance.

(d) Appendix B of this part indicates those States that participate in VIS and, have been certified by the Commandant as complying with the guidelines prescribed in subpart D of this part and the date of that certification. A State

with a vessel titling system that complies with the guidelines of subpart D of this part will remain listed, in Appendix B of this part.

#### **Subpart B—Information To Be Collected by Participating States**

##### **§ 187.101 Information to identify a vessel owner.**

A participating State must collect the following information regarding the ownership of vessels numbered or titled under the laws of that State:

- (a) Name of each owner.
- (b) The address of the principal place of residence of at least one individual owner, or the address of the principal place of business of an owner that is not an individual, including zip code.
- (c) Mailing address of at least one owner, if different from the address required by paragraph (b) of this section.
- (d) If the owner is an individual, the owner's social security number, or, if that number is not available, the individual's birth date and driver's license number or, if the individual does not have a driver's license, the individual's birth date and other information to identify that individual as prescribed by the State or titling authority.
- (e) If the owner is other than an individual, the owner's—
  - (1) Taxpayer identification number; or
  - (2) If the owner does not have a taxpayer identification number, the social security number, or if the social security number is not available, birth date and driver's license number, or if no driver's license number is available, the birth date and other identifying information prescribed by State regulation, of an individual who is a corporate officer, general partner, or individual trustee of the owner and who signed the application for numbering the vessel.

##### **§ 187.103 Information to identify a vessel.**

A participating State must collect the following information regarding the identity of a vessel numbered or titled under the laws of that State:

- (a) Make of vessel or name of vessel builder, if known.
- (b) Manufacture year, year vessel built, or vessel model year, if known.
- (c) Vessel identifier required by § 187.5 of this part.
- (d) Official number assigned by U.S. Coast Guard or predecessor agency, if applicable.
- (e) Number currently assigned by the State issuing authority, as printed on the certificate of number.
- (f) Length of vessel.
- (g) Type of vessel (open, cabin, house, or other).

(h) Whether the hull is wood, fiberglass, metal, plastic, or other.

(i) Whether the propulsion is inboard, outboard, inboard-outdrive, sail, or other.

(j) Whether the fuel is gasoline, diesel, or other.

(k) Whether the vessel is operated for pleasure, rent or lease, dealer or manufacturer demonstration, commercial passenger carrying, commercial fishing, or other commercial operation.

(l) Number previously issued to the vessel by an issuing authority.

(m) Expiration date of certificate of number issued by the State vessel numbering authority.

##### **§ 187.105 Information on titled vessels.**

(a) In addition to the information required under § 187.103, a participating State must collect the following information on a vessel titled in that State:

- (1) Title number issued by the State.
- (2) Where evidence of a lien or other security interest may be found against a vessel titled in that State.
- (3) Name(s) of the lienholder(s).
- (4) Address of principal place of residence of each individual lienholder and the address of the principal place of business of each lienholder that is not an individual, including zip code.

(b) Participating States may collect the following information on titled vessels:

- (1) Mailing address of any lienholder that is different from the addresses required by paragraph (a)(4) of this section.
- (2) Telephone number of each lienholder.

##### **§ 187.107 Information to assist law enforcement officials.**

(a) Participating States must make the following information available to assist law enforcement officials:

(1) Notice that a vessel, identified by its vessel identifier, has been reported lost, stolen, destroyed, abandoned, or recovered.

(2) Name and telephone number of organization to contact for additional information or to notify regarding the recovery of a vessel.

(b) Participating States may make the following information available to assist law enforcement officials:

- (1) Reported date that the vessel was stolen.
- (2) Reported location of vessel when stolen.
- (3) Vessel insurance policy number, if insured.
- (4) Name of the insurance company.
- (5) Address of insurance company, including zip code.

(6) Mailing address of the insurance company for notification, if different from the address provided under paragraph (b)(5) of this section.

(7) Telephone number of insurance company.

(8) Date that the vessel was recovered.

(9) Location of vessel when recovered.

(10) Name(s) and telephone number(s) of organization(s), in addition to the one provided under paragraph (a) of this section, public or private, to contact for additional information on sighting and recovery of vessels.

(11) Request to be notified if vessel is sighted.

(12) Purpose of sighting notification request.

(13) Date and time when vessel last sighted.

(14) Location of vessel when last sighted.

(15) Organization to contact for additional information on sighting.

#### **Subpart C—Vessel Identification System Participation Requirements**

##### **§ 187.201 Participating State requirements.**

A participating State must comply with the following requirements:

(a) Collect the required information listed in subpart B of this part and provide that information to the vessel identification system in the manner and form specified in the applicable Coast Guard-State Cooperative Agreement.

(b) Obtain specific evidence of ownership, such as certificate of origin or current certificate of title or number, to identify a vessel's owner.

(c) Return any surrendered Certificate of Documentation to the issuing Coast Guard Vessel Documentation Office.

(d) Retain previously issued certificate of number or title and notify issuing authority by mail or electronic message.

(e) Retain information identifying the type of evidence used to establish the accuracy of the information required to be made available to VIS, and make it available to the Coast Guard upon request.

(f) Update the information required to be made available to VIS on a vessel that has not been re-registered by labeling the vessel file "inactive" or, if notified that a vessel has been moved to a nonparticipating State, by indicating the new State and notifying the Coast Guard.

##### **§ 187.203 Voluntary provisions for participating States.**

A participating State may—

- (a) Provide VIS with the optional information listed in subpart B of this part;



(b) Make updated information provided by the vessel owner, government agency or lienholder, available to VIS regarding a vessel that has been moved to a nonparticipating State; and

(c) Interact with nonparticipating States to make information available to, or request information from, VIS concerning a vessel or nationwide statistics.

#### Subpart D—Guidelines for State Vessel Titling Systems

##### § 187.301 Eligibility for preferred mortgage status.

A State vessel titling system that meets the requirements of this subpart may be certified by the Commandant under 46 U.S.C. 31322 (d)(1)(A), in accordance with the procedures of § 187.9, as complying with the guidelines for vessel titling systems for the purpose of conveying preferred mortgage status on mortgages perfected after the date of certification, covering the whole of a vessel titled in that State, provided that the State also complies with the vessel identification system participation requirements of § 187.7 and subpart C of this part.

##### § 187.303 Definitions.

A State must define the terms, “certificate of origin”, “dealer”, “department” or “division”, “documented vessel”, “issuing authority”, “lienholder”, “manufacturer”, “owner”, “person”, “security interest”, “titling authority”, and “vessel”, substantially as those terms are defined in § 187.3.

##### § 187.305 Application for title.

(a) Except as provided in § 187.307, a State must require application for a title within a specified period of time, not to exceed 60 days, after a vessel is first purchased, ownership is transferred, or there is a change in vessel data listed on the certificate of title.

(b) A State must require disclosure of the existence of indebtedness covered by any security agreement pertaining to the vessel in its titling application form.

(c) The title application must include an entry for identification of the State or country in which the vessel was last numbered or titled, if applicable.

(d) A State must require that the title application include a signed certification that statements made are true and correct to the best of the applicant’s knowledge, information and belief, under penalty of perjury.

##### § 187.307 Dealer and manufacturer provisions.

A State must include the following provisions for dealers or manufacturers, building, buying, acquiring, or transferring vessels, in that State.

(a) Dealers must be required to either report acquisition of a used numbered vessel for resale, or, apply for certificate of title if such vessel is required to be titled.

(b) Dealers must be allowed to apply for a certificate of title for a new vessel acquired for resale.

(c) Dealers and manufacturers must be required to provide to the vessel owner a certificate of origin, or other document, at the time of delivery of a new vessel to initiate the chain of ownership.

(d) Dealers and 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 have such records open for inspection by the State.

##### § 187.309 Transfer of title.

Except for transfers by operation of law such as inheritance, order in bankruptcy, replevin, default judgment or execution sale, a State must require that to complete the sale, assignment or transfer of a titled vessel, a manufacturer, dealer or individual, must deliver the vessel’s certificate of title to the new owner.

##### § 187.311 Transfer by operation of law.

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, if ownership of a vessel is transferred by operation of law, such as inheritance, order in bankruptcy, replevin, default judgment or execution sale, and to include an original or certified copy of the legal transfer document along with the application.

##### § 187.313 Title of another State.

A State must provide for honoring a current and valid title issued by another State, or a Certificate of Ownership issued by the Coast Guard, as proof of ownership for transfer or sale of a vessel, and for applying for certificates of number or title in a new State of principal operation.

##### § 187.315 Surrender of title for purposes of documentation.

A State must deem a title issued by that State as invalid when a vessel owner surrenders it to the U.S. Coast Guard for vessel documentation purposes. Upon receipt of a title from the U.S. Coast Guard, a State must accept the returned title for

administrative processing and cancellation.

##### § 187.317 Information on a certificate of title.

(a) A State must specify the following information on a certificate of title:

(1) Current owner(s) name(s).

(2) The address of the principal place of residence of an individual owner, and the address of the principal place of business of an owner that is not an individual, including zip code.

(3) Date of title issuance.

(4) Vessel description, including the vessel identification number required by § 187.05 of this part, name of manufacturer or model, year built or the model year, vessel length, vessel type, drive or propulsion type, vessel use, hull material and fuel type.

(5) Each lienholder’s name and address.

(6) Recording or perfection date of new liens and original recording date of any liens outstanding.

(b) Space must be provided on the certificate of title form for assignment of interests in the vessel, with a certification that statements provided on the title assignment are true and correct to the best of the owner’s knowledge, under penalty of perjury.

##### § 187.319 Duplicate title.

(a) The term “DUPLICATE” must be clearly and permanently marked on the face of a duplicate certificate.

(b) A State must require the holder of an original title, whether the owner or lienholder, to apply for a duplicate title within a specified period of time after, or after the discovery of, the loss, theft, mutilation, or destruction of an original certificate of title; provide information concerning the original certificate and the circumstances of its loss, theft, mutilation, or destruction; and surrender to the department any recovered original title or remains.

##### § 187.321 Hull identification number (HIN) provisions.

A State must—

(a) Assign an HIN and require that it be affixed to an undocumented vessel that does not have an HIN at the time of registration or application for title after transfer of ownership or change of State of principal operation;

(b) Assign an HIN to an undocumented vessel without an HIN at time of title application and record the HIN on the certificate of title; and

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

**§ 187.323 Perfection of security interests.**

(a) A State must provide that a security interest is not valid under State law unless perfected under procedures specified by the State. If a vessel is already subject to a security interest when it is brought into a State, the validity of the security interest is to be determined by the law of the jurisdiction where the vessel was titled when the security interest attached. The State must specify at least the following procedures.

(1) The procedures by which a security interest is perfected, including a requirement for the delivery of an application for new or amended certificate of title.

(2) The procedures by which the date of perfection is determined.

(b) The perfection provisions required to be established under paragraphs (a) and (b) of this section must 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; or

(3) Any lien arising out of an attachment of a vessel.

**§ 187.325 Assignments.**

A State must specify whether a security interest in a vessel titled under the State titling system may be assigned and the procedures for perfecting assignments.

**§ 187.327 Satisfaction of security interests.**

A State must specify evidence and information that lienholders are required to submit to the State regarding satisfaction of a security interest, and establish procedures and time limits for its submission.

**§ 187.329 Forms.**

A State must prescribe and provide the application, certificate of title, notice of security interests, and other forms needed to comply with the titling system provisions.

**§ 187.331 Retaining information.**

A State must retain information identifying the evidence used to establish the accuracy of the information required for vessel titling

purposes for 3 years and make the information available to the Coast Guard on request.

**Appendix A to Part 187—Participating Authorities**

The following States comply with the requirements for participating in VIS:

[No States currently comply with the requirements for participating in VIS.]

**Appendix B to Part 187—Participating and Certified Titling Authorities**

The following States both comply with the requirements for participating in VIS and have a titling system certified to be in compliance with the guidelines for State vessel titling systems:

[No States currently have a certified titling system and participate in VIS.]

Dated: April 17, 1995.

**J.C. Card,**

*Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Safety, Security and Environmental Protection.*

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