ARTICLE 5. WATERCRAFT

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Rule 1. Definitions

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75 IAC 5-1-1 Applicability

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2; IC 9-32</u>

Sec. 1. The definitions in this rule apply throughout this article. (Secretary of State; 75 IAC 5-1-1; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; readopted filed Nov 22, 2019, 3:08 p.m.: 20191218-IR-075190394RFA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-1) to the Secretary of State (75 IAC 5-1-1) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-2 "Bill of sale" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2; IC 9-32</u>

Sec. 2. "Bill of sale" means a written instrument sufficient to support intent to transfer ownership of a watercraft and must include the following:

- (1) The purchase price of the watercraft.
- (2) The name of the purchaser.
- (3) The date of purchase.
- (4) A description of the watercraft describing the following:

(A) Year.
(B) Make.
(C) Model or type.
(D) Length.
(E) Hull identification number, if any.
(5) The signature, printed name, and address of the seller.

(Secretary of State; 75 IAC 5-1-2; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-3) to the Secretary of State (75 IAC 5-1-2) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-3 "Boat" defined (Repealed)

Sec. 3. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-4 "Boat dealer" defined (Repealed)

Sec. 4. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-5 "Bureau" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2</u>; <u>IC 9-32</u>

Sec. 5. "Bureau" means the bureau of motor vehicles. (Secretary of State; 75 IAC 5-1-5; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; readopted filed Nov 22, 2019, 3:08 p.m.: 20191218-IR-075190394RFA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-7) to the Secretary of State (75 IAC 5-1-5) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-6 "Consignee" defined (Repealed)

Sec. 6. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-7 "Consignment sale" defined (Repealed)

Sec. 7. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-8 "Consignor" defined (Repealed)

Sec. 8. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-9 "Dealer plates" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2</u>; <u>IC 9-32</u>

Sec. 9. "Dealer plates" means the license plates provided to a watercraft dealer under IC 9-32-8-8 that must be displayed on a watercraft while the watercraft is being tested or demonstrated. (Secretary of State; 75 IAC 5-1-9; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-

<u>140070562RFA</u>; readopted filed Nov 13, 2013, 3:25 p.m.: <u>20131211-IR-075130451RFA</u>; filed Dec 14, 2017, 1:15 p.m.: <u>20180110-IR-075160434FRA</u>; errata filed Mar 8, 2021, 1:00 p.m.: <u>20210317-IR-075210086ACA</u>; readopted filed Nov 30, 2023, 11:48 a.m.: <u>20231227-IR-075230626RFA</u>) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-12) to the Secretary of State (75 IAC 5-1-9) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-10 "Dealer registration" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2</u>; <u>IC 9-32</u>

Sec. 10. "Dealer registration" means a certificate of registration under IC 9-32-8-8 that identifies a watercraft dealer and information pertinent to the testing and demonstrating of a watercraft by the watercraft dealer. (Secretary of State; 75 IAC 5-1-10; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; errata filed Mar 8, 2021, 1:00 p.m.: 20210317-IR-075210086ACA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-13) to the Secretary of State (75 IAC 5-1-10) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-11 "Discount dealer" defined (Repealed)

Sec. 11. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-12 "Distributor" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2; IC 9-32</u>

Sec. 12. "Distributor" means a person, other than a manufacturer, who is engaged in the business of selling watercraft to dealers located in Indiana. The term includes a branch office of the distributor. (*Secretary of State; 75 IAC 5-1-12; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-15) to the Secretary of State (75 IAC 5-1-12) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 5-1-13 "Hull identification number" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2</u>; <u>IC 9-18.1-14.5-5</u>; <u>IC 9-32</u>

Sec. 13. "Hull identification number" means the standard coast guard approved twelve (12) digit number placed on a watercraft by the manufacturer or assigned by the bureau under IC 9-18.1-14.5-5 or by another state. (Secretary of State; 75 IAC 5-1-13; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; readopted filed Nov 22, 2019, 3:08 p.m.: 20191218-IR-075190394RFA; errata filed Mar 8, 2021, 1:00 p.m.: 20210317-IR-075210086ACA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-16) to the Secretary of State (75 IAC 5-1-13) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-13.5 "License year" defined

Authority: $\underline{IC 9-32-3-1}$ Affected: $\underline{IC 9-32}$

Sec. 13.5. "License year" refers to a twelve (12) month period commencing and ending in accordance with IC 9-32-11-12.5.

(Secretary of State; 75 IAC 5-1-13.5; filed Dec 14, 2017, 1:15 p.m.: <u>20180110-IR-075160434FRA</u>; readopted filed Nov 30, 2023, 11:48 a.m.: <u>20231227-IR-075230626RFA</u>)

75 IAC 5-1-14 "Manufacturer" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2</u>; <u>IC 9-18.1-14.5</u>; <u>IC 9-32</u>

Sec. 14. "Manufacturer" means a person that is engaged in the business of constructing or assembling watercraft, of a type required to be registered under IC 9-18.1-14.5, for sale to a watercraft dealer, distributor, or to the general public. (Secretary of State; 75 IAC 5-1-14; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; errata filed Mar 8, 2021, 1:00 p.m.: 20210317-IR-075210086ACA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-19) to the Secretary of State (75 IAC 5-1-14) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-15 "Person" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2; IC 9-32</u>

Sec. 15. "Person" has the meaning set forth in IC 9-13-2-124. (Secretary of State; 75 IAC 5-1-15; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; readopted filed Nov 22, 2019, 3:08 p.m.: 20191218-IR-075190394RFA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-21) to the Secretary of State (75 IAC 5-1-15) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-16 "Probation" defined (Repealed)

Sec. 16. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-17 "Revocation" defined (Repealed)

Sec. 17. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-17.5 "Secretary" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 4-5-1-1; IC 9-32</u>

Sec. 17.5. "Secretary" means the secretary of state holding office as set forth in <u>IC 4-5-1-1</u>. (Secretary of State; 75 IAC 5-1-17.5; filed Dec 14, 2017, 1:15 p.m.: <u>20180110-IR-075160434FRA</u>; readopted filed Nov 30, 2023, 11:48 a.m.: <u>20231227-IR-075230626RFA</u>)

75 IAC 5-1-18 "Special dealer permit" defined (Repealed)

Sec. 18. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-19 "Suspension" defined (Repealed)

Sec. 19. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-20 "Transfer dealer" defined (Repealed)

Sec. 20. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-1-21 "Watercraft" defined

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-13-2-198.5; IC 9-32</u>

Sec. 21. "Watercraft" has the meaning set forth in IC 9-13-2-198.5. (Secretary of State; 75 IAC 5-1-21; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; readopted filed Nov 22, 2019, 3:08 p.m.: 20191218-IR-075190394RFA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-1-28) to the Secretary of State (75 IAC 5-1-21) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-1-22 "Wholesale dealer" defined (Repealed)

Sec. 22. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

Rule 2. Watercraft Dealers

75 IAC 5-2-1	General requirements
75 IAC 5-2-1.1	Initial application
75 IAC 5-2-1.2	Renewal of dealer license
75 IAC 5-2-2	Manufacturer's and importer's certificate of origin
75 IAC 5-2-3	Dealer registration; plates and restrictions
75 IAC 5-2-4	Temporary license plates
75 IAC 5-2-5	Dealer certificates of registration or temporary license plates to be issued to a dealer
	or manufacturer
<u>75 IAC 5-2-6</u>	Transfer dealer license (Repealed)
<u>75 IAC 5-2-7</u>	Discount dealer license (Repealed)
<u>75 IAC 5-2-8</u>	Determining the number of watercraft sold
<u>75 IAC 5-2-9</u>	Providing documentation to purchaser
<u>75 IAC 5-2-10</u>	Consignment sales (Repealed)
<u>75 IAC 5-2-11</u>	Investigation and evaluation of qualifications (Repealed)
<u>75 IAC 5-2-12</u>	Validity of license; change of business name or location (Repealed)
<u>75 IAC 5-2-13</u>	Denial, suspension, or revocation of the dealer license and plates (Repealed)
<u>75 IAC 5-2-14</u>	Issuance of cease and desist order by secretary

75 IAC 5-2-1 General requirements

Authority: <u>IC 9-13-2-42; IC 9-32-3-1</u> Affected: <u>IC 6-2.5; IC 9-32</u>

Sec. 1. (a) In addition to the requirements found in $\underline{IC 9-32}$, watercraft dealers licensed or applying to be licensed shall meet the following requirements in order to be granted a license and for the entire licensing period:

(1) No other dealer is licensed at or operating from the same address or established place of business at which the watercraft dealer is licensed or applying to be licensed. An exemption may be granted at the secretary's discretion if all dealers licensed and operating from the same address or established place of business have common, identical ownership and there is no more than one (1) of a particular license type at the same address or established place of business.

(2) The watercraft dealer's established place of business meets the following requirements:

(A) Is located in Indiana.

(B) Is not attached to or part of a residence.

(C) Has an Indiana address that is not an Indiana post office box address.

(D) Allows for the display of at least ten (10) watercraft of the kind and type which the watercraft dealer is licensed to sell.

(E) Has a conspicuous and permanent sign identifying the watercraft dealer by the name in which the watercraft dealer is licensed and setting forth the hours of operation of the dealership.

(3) The watercraft dealer's established place of business may not be located in a strip office mall, a garage, or a similar facility unless the following requirements are met:

(A) A separate entrance is maintained.

(B) A separate address is maintained (e.g., suite number).

(C) The general public is provided with a distinct impression of its separate business status.

(b) A watercraft dealer shall provide the secretary with photographs of the established place of business with the initial application for a watercraft dealer license. The photographs must include the following:

(1) Any sales or storage lot.

(2) The primary exterior advertising sign required by this section.

(3) The display area.

(4) The established place of business.

(5) The exterior and interior of the watercraft dealer office.

The photographs must be at least three (3) inches by five (5) inches large. The photographs must be updated if the dealership is moved or if its facilities are substantially altered or modified.

(c) A watercraft dealer proposing to sell new watercraft shall provide the secretary, with the initial licensing application, evidence of the franchise or contract agreement with a manufacturer. (*Secretary of State; 75 IAC 5-2-1; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2355; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-1) to the Secretary of State (75 IAC 5-2-1) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 5-2-1.1 Initial application

Authority: $\underline{IC 9-32-3-1}$ Affected: $\underline{IC 9-32}$

Sec. 1.1. (a) In addition to the requirements in <u>IC 9-32</u>, a person applying to be licensed as a watercraft dealer must submit with the application a copy of a valid photographic identification card issued by a government agency to each individual listed on the application as an owner, partner, or officer, including the person signing the application, if different.

(b) The name and address of the watercraft dealer as stated on all documents submitted with the application must match the name and address of the watercraft dealer as stated on the application. An exemption for this requirement may be given at the secretary of state's discretion so long as there are no concerns regarding the qualifications and eligibility of the applicant to receive the license or the ability of the applicant to conduct properly the business for which the application is submitted. *(Secretary of State; 75 IAC 5-2-1.1; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA*)

75 IAC 5-2-1.2 Renewal of dealer license

Authority: <u>IC 9-32-3-1; IC 9-32-11-8</u> Affected: <u>IC 9-32</u>

Sec. 1.2. Application for renewal of a watercraft dealer license must be on a form prescribed by the secretary and be accompanied by the following:

(1) The applicable fee.

(2) Proof of current bond as required by <u>IC 9-32-11-2(e)</u>.

(3) Proof of current liability insurance as required or current membership in a risk retention group under IC 9-32-8-6 [IC

<u>9-32-8-6</u> was repealed by P.L.120-2020, SECTION 56, effective July 1, 2020.] and IC 9-32-11-14.

(4) If requested by the secretary, proof that the watercraft dealer is in good standing with the bureau of motor vehicles, department of state revenue, or the state police department.

(Secretary of State; 75 IAC 5-2-1.2; filed Dec 14, 2017, 1:15 p.m.: <u>20180110-IR-075160434FRA</u>; readopted filed Nov 30, 2023, 11:48 a.m.: <u>20231227-IR-075230626RFA</u>)

75 IAC 5-2-2 Manufacturer's and importer's certificate of origin

Authority: $\underline{IC 9-32-3-1}$ Affected: $\underline{IC 9-32}$

Sec. 2. (a) A watercraft dealer shall not purchase or acquire a new watercraft without obtaining from the seller of the watercraft a manufacturer's certificate of origin or an importer's certificate of origin.

(b) A manufacturer's certificate of origin or an importer's certificate of origin must include the following:

- (1) A description of the watercraft. The description must include the following:
 - (A) The year.
 - (B) The length.
 - (C) Dry weight.
 - (D) Series or model.
 - (E) Make.
 - (F) Horsepower rating.
 - (G) Hull type.
 - (H) Hull identification number.
- (2) A certification of the date of transfer of the watercraft to a distributor, watercraft dealer, or other person.
- (3) The name and address of the distributor, watercraft dealer, or other person to whom the watercraft was transferred.
- (4) A certification that the transfer is the first transfer of the watercraft in ordinary trade and commerce.
- (5) The signature and address of a representative of the transferor.

(c) An assignment of a manufacturer's certificate or an importer's certificate must be printed on the reverse side of the certificate. The assignment must include the name and address of the transferee, a certification that the watercraft is new, and a warranty that the title at the time of delivery is subject only to liens and encumbrances that are set forth and fully described on the assignment. (Secretary of State; 75 IAC 5-2-2; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2356; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-2) to the Secretary of State (75 IAC 5-2-2) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-2-3 Dealer registration; plates and restrictions

Authority: $\underline{\text{IC } 9-32-3-1}$ Affected: $\overline{\text{IC } 9-32}$

Sec. 3. (a) Watercraft dealer registrations and license plates expire according to the schedule in <u>IC 9-32-6-6.5</u>.

(b) In addition to the requirements for watercraft dealer registration cards and watercraft dealer license plates under $\underline{IC 9-32}$ -<u>8-8</u>, the following requirements must be met by a watercraft dealer who holds a watercraft dealer registration card and watercraft dealer license plate:

(1) A watercraft dealer who wishes to receive a watercraft dealer registration card and watercraft dealer license plate shall be licensed and make an application for the watercraft dealer registration card and watercraft dealer license plate on a form prescribed by the secretary. The fee prescribed by $\underline{IC 9-32-8-8}$ must accompany the application.

(2) A watercraft dealer registration card and set of two (2) watercraft dealer license plates must not be used to test or demonstrate more than one (1) watercraft at a time.

(3) Watercraft dealer registration cards and watercraft dealer license plates must be used exclusively in the usual and customary conduct and operation of the business of the watercraft dealer.

(4) Watercraft dealer registration cards and watercraft dealer license plates may not be used on a watercraft for which a watercraft dealer charges or receives compensation from a person other than an employee of the dealer.

(5) Watercraft dealer registration cards and watercraft dealer license plates may not be used on a watercraft leased or rented by the watercraft dealer to another person.

(6) Watercraft dealer registration cards and watercraft dealer license plates may not be used on a watercraft in excess of ten (10) days by a prospective buyer or service customer.

(7) Watercraft dealer registration cards and watercraft dealer license plates may not be used for the personal use of a watercraft unless the watercraft dealer or an employee of the watercraft dealer is present on the watercraft during its operation. To qualify as an employee under this subdivision, a bona fide employment relationship must be established by the watercraft dealer with the individual who claims to be an employee.

(8) Watercraft dealer registration cards and watercraft dealer license plates shall not be used to circumvent watercraft registration requirements including those requirements relating to taxation. An unlawful use of a watercraft dealer registration card or watercraft dealer license plate may be demonstrated by a watercraft dealer's possession of a watercraft on which a watercraft dealer registration card or watercraft dealer license plate is affixed:

(A) beyond the usual and customary period of time in the industry for holding a watercraft in inventory; or

(B) outside of the watercraft dealer's inventory for sale.

(9) A watercraft dealer registration card or watercraft dealer license plate must not be loaned, leased, or sold to a person who is not authorized to use the watercraft dealer registration card or watercraft dealer license plate or to a person who has or could obtain a watercraft dealer registration card or watercraft dealer license plate as a result of that person's business.

(Secretary of State; 75 IAC 5-2-3; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2356; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; errata filed Mar 8, 2021, 1:00 p.m.: 20210317-IR-075210086ACA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-3) to the Secretary of State (75 IAC 5-2-3) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-2-4 Temporary license plates

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-32-8-7</u>

Sec. 4. (a) This section governs the issuance and use of a temporary license plate by a watercraft dealer issued under $\underline{IC 9}$ -33-8-7.

(b) A watercraft dealer shall not issue more than one (1) temporary license plate to the purchaser of a watercraft. A watercraft dealer cannot renew a temporary license plate issued under this subsection.

(c) A watercraft dealer shall not apply a temporary license plate to a watercraft owned by or in the inventory of a watercraft dealer.

(d) A watercraft dealer shall provide a bill of sale or another ownership document that establishes the purchase date to the purchaser at the time of the issuance of a temporary license plate.

(e) The log required under this section must be maintained at the established place of business of the watercraft dealer for at least two (2) years following the final entry made in that log. Following the two (2) year period, records may be moved offsite but must be maintained for a period of five (5) years. In addition to any other requirements contained in this section, the log must include the following information:

(1) The temporary license plate number issued in its sequence.

(2) The name and address of the person to whom the temporary license plate was issued.

(3) The make, model, and year of the watercraft to which the temporary license plate is to be affixed.

(4) The hull identification number.

(5) The date of issuance of the temporary license plate.

If permitted by the secretary, the watercraft dealer may maintain the log electronically in a format approved by the secretary. (Secretary of State; 75 IAC 5-2-4; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2356; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; errata filed Mar 8, 2021, 1:00 p.m.: 20210317-IR-

<u>075210086ACA</u>; readopted filed Nov 30, 2023, 11:48 a.m.: <u>20231227-IR-075230626RFA</u>) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-4) to the Secretary of State (75 IAC 5-2-4) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-2-5 Dealer certificates of registration or temporary license plates to be issued to a dealer or manufacturer

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-32</u>

Sec. 5. (a) The secretary of state retains the discretion to determine the number of watercraft dealer license plates to be issued to a watercraft dealer.

(b) The secretary of state may take the following formula into consideration when issuing watercraft dealer license plates to a watercraft dealer:

STEP ONE: Determine the total number of watercraft (both retail and wholesale) sold, or projected to be sold, by the applicant in a license year.

STEP TWO: Determine the number of licensed months the applicant was in business during the license year.

STEP THREE: Divide the number in STEP ONE by the number in STEP TWO.

(c) The secretary of state may take the following into consideration when issuing watercraft manufacturer plates to a watercraft manufacturer:

(1) The type of watercraft the watercraft manufacturer constructs or assembles.

(2) How many watercraft the watercraft manufacturer produced in the previous twelve (12) months or calendar year.

(3) The watercraft manufacturer's intended primary use of the license plates.

(4) The nature of the watercraft manufacturer's business.

(d) The secretary retains the discretion to determine the number of temporary license plates issued to a properly licensed watercraft dealer or watercraft manufacturer based upon factors including, but not limited to, the number of watercraft sold or based upon the extent of the watercraft dealer's projected sales. (Secretary of State; 75 IAC 5-2-5; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2357; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-5) to the Secretary of State (75 IAC 5-2-5) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-2-6 Transfer dealer license (Repealed)

Sec. 6. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-2-7 Discount dealer license (Repealed)

Sec. 7. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-2-8 Determining the number of watercraft sold

Authority: <u>IC 9-32-3-1</u> Affected: <u>IC 9-32</u>

Sec. 8. For the purpose of determining the number of watercraft sold, or anticipated to be sold, the the [sic] license year shall be used. (Secretary of State; 75 IAC 5-2-8; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2358; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-8) to the Secretary of State (75 IAC 5-2-8) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-2-9 Providing documentation to purchaser

Authority: $\underline{\text{IC } 9-32-3-1}$ Affected: $\underline{\text{IC } 9-32}$

Sec. 9. A watercraft dealer shall provide each person who purchases a watercraft from the watercraft dealer with all documentation needed to transfer the title to the watercraft to the purchaser. The documentation must be provided within ten (10) days of the sale or delivery of the watercraft. (Secretary of State; 75 IAC 5-2-9; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2358; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-9) to the Secretary of State (75 IAC 5-2-9) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 5-2-10 Consignment sales (Repealed)

Sec. 10. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-2-11 Investigation and evaluation of qualifications (Repealed)

Sec. 11. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-2-12 Validity of license; change of business name or location (Repealed)

Sec. 12. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-2-13 Denial, suspension, or revocation of the dealer license and plates (Repealed)

Sec. 13. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

75 IAC 5-2-14 Issuance of cease and desist order by secretary

Authority: $\underline{IC 9-32-3-1}$ Affected: $\underline{IC 9-32}$

Sec. 14. Failure to obtain a license under IC 9-32-8 or engaging in activities that require a license while a license issued under IC 9-32-8 is suspended or revoked by the secretary shall be cause for an order to cease and desist all such activities to be issued by the secretary shall notify the superintendent of the Indiana state police of all such orders issued to cease and desist business. (Secretary of State; 75 IAC 5-2-14; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2359; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA; readopted filed Nov 30, 2023, 11:48 a.m.: 20231227-IR-075230626RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 9-3-14) to the Secretary of State (75 IAC 5-2-14) by P.L.106-2008, SECTION 54, effective July 1, 2008.

Rule 3. Registration

75 IAC 5-3-1

Dealer's and manufacturer's identification number; display (Repealed)

75 IAC 5-3-1 Dealer's and manufacturer's identification number; display (Repealed)

Sec. 1. (Repealed by Secretary of State; filed Dec 14, 2017, 1:15 p.m.: 20180110-IR-075160434FRA)

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