GENERAL ASSEMBLY
COMMONWEALTH OF KENTUCKY

2016 REGULAR SESSION

SENATE BILL NO. 186

AS ENACTED

FRIDAY, APRIL 1, 2016

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ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY K. Adler

1 AN ACT relating to boat liens.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 235.230 is amended to read as follows:

4 (1) The owner of a boat marina shall ***keep***~~[cause to be kept]~~ a record of the name and
5 address of the person or persons hiring any vessel which is designed or permitted by
6 him to be operated as a motorboat; the identification number thereof; and the
7 departure time and date, and the expected time of return. The record shall be
8 preserved for at least six (6) months.

9 (2) Neither the owner of a boat marina, nor his agent or employee shall permit any
10 motorboat or any vessel owned or leased by him to be operated as a motorboat to
11 depart from his premises unless it ***has***~~[shall have]~~ been provided, either by the
12 owner or the renter, with the equipment required pursuant to KRS 235.200 and any
13 rules and regulations made pursuant thereto, except that the operator need not have
14 the certificate of registration in his possession.

15 (3) The certificate of registration and number for vessels leased or rented by a marina
16 may be retained on shore by the owner of the marina or his representative at the
17 place from which the vessel departs or returns to the possession of the livery or his
18 representative; provided, however, the operator shall have with him a copy of the
19 lease or rental agreement signed by the marina owner or an authorized
20 representative of the marina and by the person leasing or renting the vessel that
21 contains the vessel's number which appears on the certificate of number and the
22 period of time for which the vessel is leased or rented.

23 (4) By July 15, 2000, the owner of a marina shall provide access to sewage pumpout
24 facilities for the owners of motorboats with marine toilet facilities. For the purpose
25 of this subsection a sewage pumpout facility means equipment designed to receive
26 the discharge of sewage from a marine sanitation device and allow the disposal of
27 the sewage in a manner that prevents the sewage from entering the waters of the

1 state. To provide access to sewage pumpout facilities a marina owner may, by way
2 of illustration and not to limit the options available to a marina owner:
3 (a) Build and operate pumpout facilities;
4 (b) Contract with another marina owner with pumpout facilities, if the contracting
5 marinas are not more than eight (8) water miles apart and accessible in a way
6 that does not require motorboats to be trailered; and
7 (c) Contract with a person licensed under KRS 211.972 to provide pumpout
8 facility service, if the service is available during normal business hours
9 including holidays and if the service can be provided within a reasonable time
10 upon request by a motorboat owner.
11 ***(5) For any period of contracted mooring at a marina longer than twenty-four (24)***
12 ***hours, the owner of a boat shall provide to the marina owner or his or her agent***
13 ***or employee the title, or equivalent document, for the boat. The owner of the***
14 ***marina or his or her agent or employee shall retain the title or a copy of the title***
15 ***in the marina's records for the period of time, beyond twenty-four (24) hours, for***
16 ***which the marina is contracted to provide mooring to the boat.***
17 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 376 IS CREATED TO
18 READ AS FOLLOWS:
19 ***(1) Any marina asserting a possessory lien pursuant to KRS 376.270 may enforce the***
20 ***lien by filing a civil action in the county in which the boat is located.***
21 ***(2) Prior to filing an action pursuant to subsection (1) of this section, the marina***
22 ***shall send, by certified mail, return receipt requested, notice of intent to enforce***
23 ***the lien to:***
24 ***(a) All known owners at their last known address;***
25 ***(b) All secured parties discernible through reasonable effort. For the purposes***
26 ***of this paragraph, "reasonable effort" includes notice to any secured party***
27 ***that has:***

1 *1. Properly perfected its security interest in the boat by having its lien*
2 *indicated on a certificate of title for the boat;*
3 *2. Properly perfected its security interest through an unexpired sufficient*
4 *financing statement filed in the jurisdiction of the boat owner's*
5 *residence, as that jurisdiction appears on the certificate of title, or*
6 *equivalent document, for the boat; or*
7 *3. Become a mortgagee of a federally documented vessel by recording a*
8 *ship mortgage on the vessel pursuant to Chapter 313 of Title 46 of the*
9 *United States Code.*
10 *(c) In addition to the notice required in subsection (2) of this section, the*
11 *marina shall advertise the notice of intent to enforce the lien at least once*
12 *per week for two (2) consecutive weeks pursuant to KRS Chapter 424.*
13 *(3) Upon the marina properly sending notice of its intent to enforce its lien in*
14 *accordance with subsection (2) of this section, a boat's owner may not remove the*
15 *boat from the marina without a court order.*
16 *(4) The notice of intent to enforce the lien required by subsection (2) of this section*
17 *shall include:*
18 *(a) The name of the owner of the boat as indicated on the certificate of title,*
19 *certificate of registration, or certificate of documentation;*
20 *(b) The owner's last known address;*
21 *(c) The make, model, length, and hull identification number of the boat if*
22 *visually discernable; and*
23 *(d) A description of any attached outboard motor, including make, horsepower,*
24 *and serial number if visually discernable.*
25 *(5) Any secured party to whom notice was sent pursuant to subsection (2) of this*
26 *section shall be named as a party in any civil action filed to enforce a marina's*
27 *lien under KRS 376.270 and called upon to enter therein and set forth its claim*

1 *or interest in the boat that is subject to the action, and the secured party shall be*
2 *served with summons at its address as indicated on the certificate of title,*
3 *financing statement, or ship mortgage through which its security interest was*
4 *perfected.*
5 *(6) Upon judgment being entered in favor of a marina pursuant to this section, and*
6 *subject to any restrictions of the United States Code, or any regulations issued*
7 *pursuant thereto, regarding federally documented vessels, the court shall order*
8 *the boat, or any part of the furniture and tackle as may be sufficient, to be sold*
9 *for the satisfaction of the judgment. The marina shall conduct the sale in*
10 *conformity with reasonable commercial practices among dealers in the type of*
11 *boat being sold and in accordance with the court order. The sale shall be*
12 *advertised in conformity with reasonable commercial practices among dealers for*
13 *the type of boat being sold and, additionally, shall be advertised at least ten (10)*
14 *days prior to the sale pursuant to KRS Chapter 424.*
15 *(7) The court shall authorize and direct the county clerk to issue a title to the*
16 *purchaser of the boat at a sale authorized by and conducted in conformance with*
17 *this section, and the purchaser shall take title to the boat free of any liens or*
18 *encumbrances. Any liens or encumbrances attached to the boat shall attach to*
19 *the proceeds of the sale in the same order of priority that the liens and*
20 *encumbrances attach to the boat pursuant to applicable law.*

President of Senate

Speaker-House of Representatives

Attest: Chief Clerk of Senate

Approved Governor

Date 13 APRIL 2016