

Recreational Boating Committee  
The Maritime Law Association of the U.S.  
May 3, 2007 - New York Yacht Club  
Time: 1500 - 1700

Chairman's Report

- The Recreational Boating Committee met on May 3, 2007 at the New York Yacht Club with 35 members and guests present and two members participating by conference call.
- The Committee received a status report on the 2002 US Customs Ruling which defined the term passenger to include non-paying business guests for the purpose of the Passenger Vessel Services Act. Under the Ruling, the owner of a foreign-built recreational vessel ineligible for U.S. documentation with a coastwise endorsement could be charged with a violation of the PVSA if business guests are aboard. Penalties include monetary fines and potential forfeiture. The Committee is not aware of any enforcement actions to date by the customs service. The Committee will continue tomorrow on the issue and a working group will return recommendations to the committee at the Fall 2007 meeting regarding the possible application to Customs for issuance of a modified ruling.
- The committee received a presentation from Mr. Robert deMotta and Ms. Carol Roberts of AON regarding a broker's view of the recreational boating insurance market with an emphasis on underwriting requirements and common pitfalls by owners in failing to fully disclose all material information to underwriters. The Committee has noted a marked increase in reported insurance coverage litigation involving recreational boats over the past two years. We are grateful to Mr. deMotta and Ms. Roberts for their timely and informative representation.
- The Committee discussed the Small Vessel Security Summit scheduled for June 19<sup>th</sup> and 20<sup>th</sup>, 2007 by the Department of Homeland Security. The meeting will address security issues involving recreational vessels and other small craft and is by invitation only. The Association was apparently not invited to attend but the Committee has secured one invitation and a committee member will attend the Summit.
- The Committee considered a proposal by the National Conference of Commissioners on Uniform State Laws to extend the Uniform Certificate of Title Act (now applicable to automobiles) to watercraft. Following an introduction by member Robert Fisher the committee considered and voted to endorse a proposed letter to be issued to the NCCUSL study group by President Burrell which had been prepared and approved by the Marine Finance Committee on Wednesday. The letter expresses the Association's interest in the project and will insure that the Association will have input during the drafting process. A joint working group consisting of members of the Sub-Committee on Yacht Finance and

the Recreational Boating Committee will be formed to study the issues. Any Committee member who is interested in working on this project is urged to contact the Chair.

- Finally, the Committee received a review of the cases reported in the latest edition of the Committee's Newsletter, Boating Briefs, now in its 16<sup>th</sup> year of publication. The Chair wishes to recognize the current editor, Todd Lochner and the Associate editor, Daniel Wooster, for their efforts. All past issues of the newsletter have now been posted on the public side of the Association's website. A digest of all cases reported since 1991 is currently being prepared and will be posted on the Committee's section of the website when complete.

Frank P. DeGiulio, Chair