



in receipts. Further, county clerks collect property taxes but that impact is not addressed in this mandate.

According to the Merchant Vessels of the United States data file from the USGC, last updated September 1, 2020, there are:

- 5,353 USCG documented vessels with an owner's address listed as being in KY;
  - Of these, 1,013 have expired USCG documentation.
- 4,646 USCG documented vessels showing the hail port as being in KY;
  - Of these, 975 have expired USCG documentation.
- 3,666 USCG vessels with both the hail port and owner's address being in KY.
  - Of these, 782 have expired USCG documentation.

The USCG does not maintain this listing for enforcement purposes and therefore, the data is presumed to be accurate, but there may be discrepancies and overlap.

The Kentucky Department of Revenue uses both the hailing port and mailing address listed in the USCG data file to try and ensure any boats located in Kentucky have filed and paid their property tax. They report that the USCG data can often be inconclusive and will often include entries in which the owner lives out of state or lists the hailing port as anywhere other than the true location as the USCG does not require any proof or change to the hail port location on the registration

The vessels in Kentucky with expired USCG documents may not renew their USCG registrations, yet may retain their USCG numbers on the bow. Compliance and enforcement by USCG is unlikely and Kentucky would have no way to identify these vessels to determine their USCG status unless it is involved in an investigation.

The USCG provides no enforcement for vessels that are endorsed as recreational in the database as it is considered a voluntary decision by the vessel owner to have their vessel documented. As a result, it is possible that new or current owners may believe that they are documented with the USCG and are not, or owners may not be aware of the requirements required to remain documented. Because of this lack of enforcement it is possible that some vessels in the state may not be accounted for either through required registration with the state or through voluntary registration through the USCG.

The Kentucky Transportation Cabinet (KYTC), Office of Information Technology, reported that as of November 12, 2020, there are currently 933 boats in Kentucky that were once registered in Kentucky but have since become USCG documented. They have no record how many of those boats continue to be documented with the USCG and how many are sold beyond the point of documenting. Also if a boat is documented immediately when someone purchases it rather than put in their system, they have no record of it at all.

Considering all of the above, at \$6 per registration on the USGC documented vessels from above, the potential income to county clerks for a 12-month period could range from:

\$32,118 using the vessels with owners having a Kentucky address (5,353) to;  
\$21,996 from 3,666 vessels with both the hail port and owner address being KY.

**Part III: Differences to Local Government Mandate Statement from Prior Versions**

Part II, above, pertains to the bill as introduced.

**Data Source(s):** United States Coast Guard Merchant Vessels of the United States Data File, Kentucky Transportation Cabinet, Kentucky Department of Revenue, LRC Staff

**Preparer:** Mark Offerman      **Reviewer:** KHC      **Date:** 1/6/21