

**Boating Safety Unit
Yacht and Ship Licensing and Enforcement Program
Division of Boating and Waterways
August 2020**

Overview of Yacht and Ship Licensing Program:

Division of Boating and Waterways (DBW) licenses and regulates yacht and ship brokers and salespersons in California. Any person selling used vessels 16 feet or longer and less than 300 gross tons, for others and who does not own those vessels, are required to be licensed in CA. DBW enforces the Harbors & Navigation Code 700-740 to regulate the activities of licensees to ensure compliance and provide consumer protection.

The program objectives are:

- 1) To provide consumer protection and licensing information to public.*
- 2) Issue yacht and ship broker/salesperson license to qualified applicants.*
- 3) Interpret boating laws that govern the program to applicants and consumers.*

The five main components of the program are:

- 1) To license and regulate yacht and ship broker/salesperson licensees.*
- 2) Process applications for yacht broker and salesperson licenses.*
- 3) Ensure that all duties related to application processing and licensing for yacht and ship brokers are completed to comply with the laws, policies and procedures that govern the program.*
- 4) Facilitate and proctor yacht and ship broker and salespersons license examinations.*
- 5) Review applicant DOJ and FBI backgrounds before issuing license.*

Program Staff, Budget and Cost:

- 1) The Yacht and Ship licensing unit consists of three staff that oversee the duties of the program, two Licensing Administrators (SSA) and one Enforcement Officer (AGPA). However, at this time there are currently two (2) vacant positions.*
- 2) The annual budget for the program is \$375,000.00.*

**Boating Safety Unit
Yacht and Ship Licensing and Enforcement Program
Division of Boating and Waterways
Brokers License
August 13, 2020**

Summary:

A "**Broker**" is defined as:

A person who, except as otherwise excluded by Section 710, for compensation or in expectation of compensation, does, or negotiates to do, one or more of the following acts for another or others:

- (1) Sells or offers to sell, buys or offers to buy, solicits or obtains listings of, or negotiates the purchase, sale, or exchange of yachts, and who does not own those yachts.
- (2) Leases or rents, offers to lease or rent, places for rent, solicits a listing of a yacht for rent, or negotiates the purchase, sale, or exchange of a lease on a yacht, for a rental or lease period of more than 90 consecutive days to any one person or business during any 12-month period, and who does not own that yacht.

Minimum Qualifications to Apply:

Be at least 18 years of age; and

Employed as a licensed Salesperson for at least one year in the past five years or licensed as a Broker in the past five years; **or**

(Beginning January 1, 1998) have owned and operated a marine business in California selling new or used yachts for a minimum of three continuous year's immediately preceding application for a broker license. ["Yacht" refers to vessels 16 feet or longer and under 300 gross tons]; and have an established place of business located in California (post office box, mail drop or telephone answering service is not a "Place of Business"). **or**

Only for Out-of-State Applicants - Have been employed, as the primary occupation, as a yacht broker or yacht salesperson in another state for a minimum of three continuous year's immediately preceding application for a California broker license. ["Broker" refers to a person who, under a consignment agreement, negotiates the purchase, sale, lease, or exchange of (used) yachts and who does not own the vessels.]

Fees:

\$ 200.00 – Original Broker's License
\$ 25.00 – Written Examination
\$ 225.00 – Total

Total Broker Licenses:

There are currently **342** active brokers in the yacht brokerage industry in California.

**Boating Safety Unit
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Division of Boating and Waterways
Salesperson License
August 13, 2020**

Summary:

A “**Salesperson**” refers to a natural person who, for compensation or in expectation of compensation, is employed by a licensed broker in California to do one or more of the acts below:

- (1) Sells or offers to sell, buys or offers to buy, solicits or obtains listings of, or negotiates the purchase, sale, or exchange of yachts, and who does not own those yachts.
- (2) Leases or rents, offers to lease or rent, places for rent, solicits a listing of a yacht for rent, or negotiates the purchase, sale, or exchange of a lease on a yacht, for a rental or lease period of more than 90 consecutive days to any one person or business during any 12-month period, and who does not own that yacht

Eligibility:

To be eligible, an applicant must be sponsored by a licensed California yacht and ship broker who plans to employ the individual.

Applicant also must clear DOJ/FBI background check before a license can be issued.

Fees:

\$ 25.00 - Temporary Salesperson's License (optional).

\$ 25.00 - Written examination

\$100.00 -Yacht and Ship Salesperson's License

\$150.00 Total

Total Sales Licenses:

There are currently **626** active salespersons in the yacht brokerage industry in California.