

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

August 4, 2026

Yacht and Ship Broker and Salesperson Licensing Overview

Summary

The Department of Parks and Recreation, Division of Boating and Waterways (DBW), oversees the licensing and regulation of yacht and ship brokers and salespersons in California. Under California law, any individual selling used vessels that are 16 feet or longer and less than 300 gross tons on behalf of others who do not own those vessels must obtain a license. DBW administers and enforces Article 2 of the Harbors and Navigation Code (HNC §§ 700–740), which governs the activities of licensees to ensure compliance with statutory requirements and provide consumer protection.

A “Broker” and “Salesperson” refers to a natural person who, for compensation or in expectation of compensation, performs one or more of the acts below:

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.

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 (Broker)

To be eligible, an applicant must be at least 18 years of age and satisfy at least one of the following qualifications:

- Have been licensed as a California yacht broker within the past five years; or
- Have been licensed as a California yacht salesperson for at least one year within the past five years; or
- Have owned and operated a marine business in California selling new or used yachts for a minimum of three continuous years immediately preceding application for a broker license. “Yacht” refers to vessels 16 feet or longer and less than 300 gross tons. The applicant must also have an established place of business located in California. A post

office box, mail drop, or telephone answering service does not constitute an established place of business; or

- For out-of-state applicants only: Have been employed, as the primary occupation, as a yacht broker or yacht salesperson in another state for a minimum of three continuous years immediately preceding application for a California broker license.

The applicant must also pass the required written examination.

The applicant must also pass a Department of Justice (DOJ) and Federal Bureau of Investigation (FBI) background check before a broker license can be issued.

Eligibility (Salesperson)

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

The applicant must also pass the required written examination.

The applicant must also pass a Department of Justice (DOJ) and Federal Bureau of Investigation (FBI) background check before a license can be issued.

Current Status for Broker and Salesperson Licensing: Due to the temporary suspension of FBI criminal history reporting to DBW, broker license applications are currently limited to applicants who qualify through prior California broker or salesperson licensure. Applicants qualifying through the California marine business or out-of-state experience pathways cannot currently be processed until FBI criminal history reporting resumes. Salesperson applicants who pass the written examination, successfully complete the DOJ criminal history background check, and satisfy all other licensing requirements may be issued a 60-day temporary salesperson license. A permanent salesperson license cannot be issued until FBI criminal history reporting resumes and the federal criminal history background check requirements have been satisfied.

Fees (Broker)

Original License

\$200 – Original Broker's License

\$25 – Written Examination

Renewal

\$75 – One-year
\$150 – Two-year

Fees Salesperson:

Original License

\$100 – Original Salesperson's License
\$25 – Written Examination
\$25 – Temporary Salesperson License (optional)

Renewal

\$50 – One-year
\$100 – Two-year

Total Number of Active California Yacht and Ship Salesperson Licenses

As of August 4, 2026: 523

Total Number of Yacht and Ship Broker Licenses in California

As of August 4, 2026: 289

Yacht and Ship Enforcement Overview:

DBW enforces Article 2. Yacht and Ship Brokers in the Harbors and Navigation Code (HNC) § 700-740, which regulates the activities of licensees to ensure compliance and provide consumer protection. DBW conducts site visits and remote inspections of broker's records to ensure compliance with HNC and to respond to consumer complaints that allege HNC violations.

Enforcement Program Components:

- 1) Ensuring regulatory compliance of Yacht and Ship licensees: This is mainly accomplished through brokerage inspections, such as physical inspections of brokerage operations or remote audits of brokerage files.
- 2) Investigating consumer complaints against Yacht and Ship licensees: Once a complaint is verified within DBW's jurisdiction (DBW has no jurisdiction over new boat sales or used boat sales that were not brokered), DBW has a legislative mandate to

investigate. Complaints range from dissatisfaction with representation by a broker, to allegations of fraud.

- 3) Monitoring for and responding to unlicensed activity: We receive tips from licensees and consumers regarding licensing of brokers and salespeople and monitor advertisements for licensing compliance.

Levels of Intervention:

The Division of Boating and Waterways (DBW) enforces the Yacht and Ship Broker's Act (Act) through several levels of intervention, depending on factors such as the type and severity of the violation, whether it is a repeat offense, and the individual's knowledge of the Harbors and Navigation Code (HNC).

1. Education: The first level of intervention is education, which is often provided by responding to stakeholder questions. It can also involve corrective guidance, such as issuing Cease and Desist Letters or Warning Letters.
2. Civil Penalty Assessments: The intermediate level of intervention involves civil penalty assessments, which may result from an inspection or a complaint investigation. These penalties, authorized under HNC Section 739, can range from \$100 to \$1,500 per violation.
3. Referral to the Attorney General's Office: The most severe level of intervention is referring to a case or penalty matter to the Attorney General's Office (AG). The AG will present the matter before an administrative law judge (ALJ), who can impose a higher penalty and recover all associated costs. Additionally, the AG can bring criminal charges, as all codes under the Act, Article 2, are classified as misdemeanors under HNC 738.