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16 DEC 2025
CG-BSX-23 Policy Letter 25-03

From: J.A. Ludwig
COMDT (CG-BSX-23)

To: Distribution

Subj: Defect Notification

Ref: (a) Title 46 United States Code Section 4310
(b) Title 33 Code of Federal Regulations Part 179
(c) DHS Delegation No. 170.1(92)

1. Purpose. This policy letter provides guidance for the notification of defects in recreational boats and associated equipment.

2. Directives Affected. None.

3. Action. USCG Headquarters Units and Offices, District and Sector Commanders, and recreational boat manufacturers may use this policy letter to ensure compliance with U.S. statutory and regulatory requirements.

4. Background.

- a. Reference (a) requires manufacturers of recreational vessels to provide notification of defects.
- b. Regulations detailing requirements for defect notification are found in reference (b).
- c. The Office of Auxiliary & Boating Safety's Recreational Boating Product Assurance Branch (CG-BSX-23) manages the recreational boat defect notification program on behalf of the Coast Guard.

5. Discussion.

- a. Manufacturers are required to notify CG-BSX-23 under reference (a) when they discover or acquire information that the manufacturer decides, in the exercise of reasonable and prudent judgment, indicates the following for a vessel or associated equipment:
 - i. regulatory or statutory non-compliance; or
 - ii. a defect that creates a substantial risk of personal injury to the public ("substantial risk defect").

Regulatory non-compliance is straightforward. It is a failure to comply with the applicable requirements of 46 U.S.C. Chapter 43 and its implementing regulations.

A vessel or equipment may have a substantial risk defect when:

- i. an unanticipated hazard is caused by the defect (an obvious risk that is typical of normal vessel operations, or normal wear and tear does not normally create the basis for a defect);
- ii. the defect occurs with some frequency (one isolated occurrence may not constitute the basis for a finding of a defect for an entire product line); and
- iii. the defect clearly presents a risk of death or personal injury.

If either situation exists, reference (a) requires manufacturers of recreational boats and associated equipment to provide notification of the defect or failure of compliance to:

- CG-BSX-23,
- the first purchaser,
- subsequent purchasers, if known, and
- dealers and distributors.

See paragraph 6 of this policy for more details.

- b. Defect notification can be initiated by either the manufacturer or CG-BSX-23.
 - i. If a Manufacturer Discovers a Defect. Reference (b) requires manufacturers to notify CG-BSX-23 within 30 days of discovering or acquiring information of a defect or failure to comply with Coast Guard regulations if the defect or failure to comply was discovered within 10 years from the date of certification (if a recreational vessel or associated equipment is required to have a date of certification affixed) or up to 10 years from the date of manufacture (if a recreational vessel or associated equipment is not required to have a date of certification affixed).
 - ii. If CG-BSX-23 Discovers a Defect:
 - 1) Manufacturers may be notified of a defect discovered by CG-BSX-23, including those discovered through the following means:
 - a) Inspection or testing of recreational vessels conducted to ensure regulatory and statutory compliance;
 - b) Safety defect reports received from the public; or
 - c) Boat incident reports submitted to the Coast Guard by the States.
 - 2) CG-BSX-23 will sign a notification letter and deliver the notification electronically to the email address associated with the manufacturer and on file with CG-BSX-23. If the manufacturer does not respond within the timeframe specified in the notification, a follow-up letter will be delivered via FedEx to the street address associated with the manufacturer and on file with CG-BSX-23.
 - iii. In all instances, CG-BSX-23 establishes the facts of the regulatory non-compliance or potential substantial risk defect and determines if defect notification is necessary.
 - iv. CG-BSX-23 may, at its discretion, determine that notification of first purchasers is not necessary and direct the manufacturer to address the issue in future production.
 - v. Defect notification must be conducted following the steps in paragraph 6.
 - vi. If a manufacturer disputes that defect notification is required, they may appeal CG-BSX-23's determination using the process detailed in paragraph 7.

6. Defect Notification Process.

- a. Once it has been determined that defect notification is necessary, prior to notifying any customers of a potential defect the manufacturer should:
 - i. Cease selling any affected product until a CG-BSX-23-approved corrective action plan (CAP) is implemented.
 - ii. Submit a Defect Noncompliance Report (CG-4917) (DNR) to their assigned CG-BSX-23 engineer for review. Recall campaigns are managed by CG-BSX-23 engineers on a regional basis. If the manufacturer is unsure who their assigned engineer is, they can submit their DNR package via email to rbscompliance@uscg.mil and it will be routed to the proper engineer. In addition to the completed CG-4917 form, the submission should include:
 - 1) for boats, a list of affected HIN(s) in Comma Separated Values (.csv) format;
 - 2) the draft dealer or distributor letter; and
 - 3) the draft customer letter. Manufacturer use of the recommended template that is enclosed with this policy will expedite review by CG-BSX-23.
- b. The CG-BSX-23 engineer assigned to the campaign will review the submission and determine whether the proposed CAP is sufficient to address the issue, whether the draft dealer/distributor and customer letters clearly explain the issue, and how the CAP will be implemented at no cost to the public.
- c. Upon CG-BSX-23 approval of the DNR submission, the manufacturer can notify dealers, distributors and customers of the recall campaign and resume selling affected product once the approved CAP has been implemented.
- d. Once the campaign has been initiated, pursuant to reference (b), the manufacturer must submit regular Campaign Update Reports (CG-4918) (CUR) to the engineer assigned to the campaign.
 - i. The first CUR must be submitted 60 days after the recall campaign is initiated; and
 - ii. Subsequent CURs must be submitted every 90 days thereafter.
- e. Cessation of Campaign Monitoring
 - i. The CG-BSX-23 will cease monitoring a recall campaign at its discretion. Monitoring may extend until 100% of the affected product have had the CAP implemented.
 - ii. When the CG-BSX-23 does approve a manufacturer's request to cease monitoring a campaign:
 - 1) The manufacturer must still implement the USCG-approved CAP to affected product upon request; and
 - 2) If a manufacturer does implement the USCG-approved CAP to affected product after CG-BSX-23 monitoring has ceased, the manufacturer must submit a CUR so that the campaign can be updated.
- f. Amendments to the DNR: In the event a manufacturer needs to amend its' DNR, they should submit the amended DNR and any revisions to their corrective action plan to the CG-BSX-23 as soon as possible.

7. Appeals.

- a. All appeals must be submitted in writing via rbscompliance@uscg.mil or to the addresses provided in correspondence and addressed to the Chief, Recreational Boating Product

Assurance Branch (CG-BSX-23) within 30 days of receipt of notification of the regulatory non-compliance or substantial risk safety defect determination. An appeal should contain any information or evidence that states why the determination was erroneous. The Chief, CG-BSX-23 will review all relevant information regarding the issue to the Chief, Boating Safety Division (CG-BSX-2) for appeal determination, including a recommendation on whether to grant the appeal.

- b. In the event the initial appeal is denied, the appellant can request reconsideration to the Chief, Office of Auxiliary and Boating Safety (CG-BSX). This final appeal must be initiated within 30 calendar days of notification that the initial appeal was denied. All information provided during the initial appeal along with the appeal denial must be submitted. The decision of the Chief, CG-BSX on a request for consideration constitutes final agency action on the matter.

8. Disclaimer.

The guidance in this policy letter is not a substitute for applicable legal requirements and is not a rule. It is not intended to impose legally binding requirements on any party. This guidance represents the USCG's current thinking on this topic and may assist industry, mariners, the public, and the Coast Guard, as well as other Federal and state regulators, in applying statutory and regulatory requirements.

9. Changes.

This policy will be revised as necessary. It will be available with any changes on the CG-BSX-23 website at <https://safeafloat.com/policies-letters/>.

Questions concerning defect notification and recall campaigns should be directed to Commandant (CG-BSX-23), Recreational Boating Product Assurance Branch, Office of Auxiliary & Boating Safety at rbscompliance@uscg.mil.

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Encl: Customer Recall Notification Letter Template

Dist: American Boat & Yacht Council (ABYC)
Manufacturer Identification Code (MIC) Holders
National Marine Manufacturers Association (NMMA)
USCG Compliance Inspectors
USCG District RBS Specialists