

HOUSE BILL NO. 497

INTRODUCED BY G. PIERSON JR

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4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS GOVERNING ISSUANCE OF
5 VEHICLE TITLES; REQUIRING THE DEPARTMENT OF JUSTICE TO AUTHORIZE AND PROVIDE FOR
6 ISSUANCE BY A COUNTY TREASURER OF A TITLE FOR A MOTOR VEHICLE, TRAILER, SEMITRAILER,
7 POLE TRAILER, TRAVEL TRAILER, CAMPER, MOTORBOAT, PERSONAL WATERCRAFT, SAILBOAT,
8 SNOWMOBILE, AND OFF-HIGHWAY VEHICLE; REVISING DISPOSITION OF FEES FOR ISSUING A TITLE;
9 ALLOWING THE COUNTY TREASURER TO IMPOSE A FEE FOR ISSUING A REPLACEMENT TITLE;
10 AMENDING SECTIONS 23-2-508, 23-2-601, 23-2-611, 61-3-101, 61-3-107, 61-3-116, 61-3-202, 61-3-203,
11 61-3-204, 61-3-208, 61-3-212, 61-3-216, 61-3-218, 61-3-219, 61-3-222, 61-3-223, 61-3-324, AND 61-3-435,
12 MCA; AND PROVIDING AN EFFECTIVE DATE."

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15
16 **Section 1.** Section 23-2-508, MCA, is amended to read:

17 **"23-2-508. Certificate of title.** (1) Except as provided in subsection (3), a motorboat or sailboat 12 feet
18 in length or longer may not be operated upon the waters of the state unless a certificate of title has first been
19 obtained from the department of justice or a county treasurer in accordance with the laws of this state.

20 (2) Unless expressly exempted, the provisions of Title 61, chapter 3, parts 1 and 2, apply to a motorboat
21 or sailboat 12 feet in length or longer.

22 (3) A person who has owned the same motorboat or sailboat 12 feet in length or longer since July 1,
23 1988, with a valid certificate of number issued by the state is not required to file an application for a certificate of
24 title for the motorboat or sailboat unless the person transfers a part of the person's interest in the motorboat or
25 sailboat or renews the certificate of number for the motorboat or sailboat."

26
27 **Section 2.** Section 23-2-601, MCA, is amended to read:

28 **"23-2-601. Definition of terms.** As used in this part, unless the context requires otherwise, the following
29 definitions apply:

30 (1) "Certificate of registration" means the owner's receipt evidencing payment of fees due in order for

1 the snowmobile to be validly registered.

2 (2) "Certificate of title" means the document issued by the department of justice or a county treasurer
3 as prima facie evidence of ownership.

4 (3) "dbA" means sound pressure level measured on the "A" weight scale in decibels.

5 (4) "Department" means the department of fish, wildlife, and parks of the state of Montana.

6 (5) "Mechanical transport" means any contrivance for moving a person over land that has moving parts
7 and provides a mechanical advantage to the user.

8 (6) "New snowmobile" means a snowmobile that has not been previously sold to an owner.

9 (7) "Operator" includes each person who operates or is in actual physical control of the operation of a
10 snowmobile.

11 (8) "Owner" includes each person, other than a lienholder or person having a security interest in a
12 snowmobile, that holds a certificate of title to a snowmobile and is entitled to the use or possession of the
13 snowmobile.

14 (9) "Person" means an individual, partnership, association, corporation, and any other body or group of
15 persons, regardless of the degree of formal organization.

16 (10) "Registration decal" means an adhesive sticker produced and issued by the department of justice,
17 its authorized agent, or a county treasurer to the owner of a snowmobile as proof of payment of all fees imposed
18 for the registration period indicated on the sticker as recorded by the department of justice under 61-3-101.

19 (11) "Roadway" means only those portions of a highway, road, or street improved, designed, or ordinarily
20 used for travel or parking of motor vehicles.

21 (12) "Snowmobile" means a self-propelled vehicle of an overall width of 48 inches or less, excluding
22 accessories, designed for travel on snow or ice, that may be steered by skis or runners and that is not otherwise
23 registered or licensed under the laws of the state of Montana.

24 (13) "Snowmobile area" means those areas designated as snowmobile trails or areas open to the
25 operation of snowmobiles.

26 (14) "Snowmobile area operators" means those persons responsible for the maintenance of snowmobile
27 trails and for the designation of open areas or those persons providing rental snowmobile equipment. Operators
28 may include but are not limited to the United States forest service, the Montana department of fish, wildlife, and
29 parks, the Montana snowmobile association, individual snowmobile clubs, landowners or their tenants, persons
30 who offer snowmobile equipment for rent, and private trail grooming contractors.

1 (15) "Snowmobiler" means any person operating or riding a snowmobile."
2

3 **Section 3.** Section 23-2-611, MCA, is amended to read:

4 **"23-2-611. Certificate of title.** (1) A snowmobile may not be operated upon any private or public lands,
5 trails, easements, lakes, rivers, streams, roadways or shoulders of roadways, streets, or highways unless a
6 certificate of title has first been obtained from the department of justice or a county treasurer in accordance with
7 the laws of this state. A certificate of title is not required for a snowmobile purchased prior to April 16, 1993, if use
8 of the snowmobile is restricted to private land.

9 (2) Unless expressly exempted, the provisions of Title 61, chapter 3, parts 1 and 2, apply to
10 snowmobiles."
11

12 **Section 4.** Section 61-3-101, MCA, is amended to read:

13 **"61-3-101. Duties of department -- records.** (1) (a) The department shall create and maintain a central
14 registry of electronic files that includes an electronic record of title as specified in this section for motor vehicles,
15 trailers, semitrailers, pole trailers, travel trailers, campers, motorboats, personal watercraft, sailboats,
16 snowmobiles, and off-highway vehicles for which:

17 (i) an application for a certificate of title has been received by the department, its authorized agent, or
18 a county treasurer;

19 (ii) a certificate of title has been issued by the department or county treasurer; or

20 (iii) a registration, security interest, or lien transaction has been recorded by the department.

21 (b) The central registry of electronic files described in subsection (1) must include an electronic record
22 of registration for each motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal
23 watercraft, sailboat, snowmobile, and off-highway vehicle registered in this state:

24 (i) for which the certificate of title was issued by another jurisdiction and that was registered in another
25 jurisdiction; or

26 (ii) for which a certificate of title has not been issued or is not required.

27 (2) The electronic record of title for a motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper,
28 motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle must contain the following
29 information:

30 (a) the owner's name, Montana residence and, if different, mailing address, and customer identification

1 number;

2 (b) a description of the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat,
3 personal watercraft, sailboat, snowmobile, or off-highway vehicle, including, as pertinent to the motor vehicle,
4 trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or
5 off-highway vehicle:

6 (i) the manufacturer of the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat,
7 personal watercraft, sailboat, snowmobile, or off-highway vehicle;

8 (ii) the manufacturer's designation of the style of the motor vehicle, trailer, semitrailer, pole trailer, travel
9 trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle;

10 (iii) the identifying number;

11 (iv) the manufacturer's designated model year of manufacture and the odometer reading, if applicable,
12 at the time of the transfer of ownership;

13 (v) the character of the motive power and the shipping weight of the motor vehicle, trailer, semitrailer,
14 pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle
15 as shown by the manufacturer;

16 (vi) the distinctive license number assigned to the motor vehicle, trailer, semitrailer, pole trailer, travel
17 trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, if any;

18 (vii) the gross vehicle weight and gross vehicle weight rating, as determined by the manufacturer, or, for
19 a trailer operating interstate, the declared weight;

20 (viii) the unique transaction record number, when available and assigned by the department, for each
21 transaction pertaining to the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat,
22 personal watercraft, sailboat, snowmobile, or off-highway vehicle and the date of each transaction;

23 (ix) any brand required under state law or any brand carried forward from a certificate of title surrendered
24 from another jurisdiction;

25 (x) if the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal
26 watercraft, sailboat, snowmobile, or off-highway vehicle has been or is currently registered in this state, the
27 distinctive license plate number or certificate number assigned to the motor vehicle, trailer, semitrailer, pole trailer,
28 travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle and a record
29 of all fees and local option taxes, if applicable, paid for the current and preceding registration periods; and

30 (xi) other information that may be required for registration or may from time to time be found desirable.

1 (3) The electronic record of registration for a motor vehicle, trailer, semitrailer, pole trailer, travel trailer,
2 camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle must contain, at a minimum,
3 the following information:

4 (a) the owner's name, Montana residence and, if different, mailing address, and the customer
5 identification number;

6 (b) the same data that is required under subsection (2)(b) for the electronic record of title; and

7 (c) any other data considered to be pertinent by the department.

8 (4) In order to prevent an accumulation of unneeded records and files, regardless of any other statutory
9 requirements, the department may destroy all records and files that relate to motor vehicles, trailers, semitrailers,
10 pole trailers, travel trailers, campers, motorboats, personal watercraft, sailboats, snowmobiles, or off-highway
11 vehicles that have not been registered within the preceding 4 years and that do not have an active lien.

12 (5) Subject to the provisions of Title 61, chapter 11, part 5, motor vehicle records maintained by the
13 department must be open to inspection during reasonable business hours, and the department shall furnish any
14 information from the records, except personal information and highly restricted personal information, as defined
15 in 61-11-503, upon payment by the applicant of the cost of the information requested. Prior to providing the
16 information, the department shall require the applicant to provide identification. The department may not disclose
17 personal information or highly restricted personal information except as permitted or required under 61-11-507,
18 61-11-508, or 61-11-509.

19 (6) The department shall provide for issuance of titles for motor vehicles, trailers, semitrailers, pole
20 trailers, travel trailers, campers, motorboats, personal watercraft, sailboats, snowmobiles, and off-highway
21 vehicles by the county treasurer."

22

23 **Section 5.** Section 61-3-107, MCA, is amended to read:

24 **"61-3-107. Identification number for trailers, campers, and other motor vehicles.** (1) A trailer,
25 semitrailer, pole trailer, or camper that does not have a manufacturer's or other identifying number on the trailer,
26 semitrailer, pole trailer, or camper must be assigned an identification number by the department.

27 (2) The department or county treasurer may not issue a certificate of title or reissue a certificate of title
28 covering a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or
29 snowmobile on which the identification number has been altered, removed, obliterated, defaced, omitted, or is
30 otherwise absent unless the owner or other person lawfully in possession of the motor vehicle, trailer, semitrailer,

1 pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile files an application with the
2 department, accompanied by a fee of \$5. The application must be on a form provided by the department and must
3 contain information required by the department for the assignment of a special identification number for a motor
4 vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile. Upon
5 receipt of the application and if the department is satisfied that the applicant is entitled to the assignment of an
6 identification number, the department shall designate a special identification number for the motor vehicle, trailer,
7 semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile. The department shall
8 note the special identification number on the application and on records to be kept by the department. This
9 assigned identification number must be stamped or securely attached in a conspicuous position on the motor
10 vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile in the
11 manner and form prescribed by the department.

12 (3) If the true identity of a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal
13 watercraft, sailboat, or snowmobile can be established by restoring the original manufacturer's serial number or
14 other distinguishing numbers or identification marks, the department may not assign a special identification
15 number and shall replace the motor vehicle's, trailer's, semitrailer's, pole trailer's, camper's, motorboat's, personal
16 watercraft's, sailboat's, or snowmobile's identification mark by duplicating the manufacturer's full numeric or
17 alphanumeric identification sequence. The department may replace an identification mark only after conducting
18 an inquiry to determine that ownership of the motor vehicle bearing a restored identification mark has been
19 lawfully transferred to the applicant. The applicant shall apply for and the department shall replace the
20 identification mark on the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft,
21 sailboat, or snowmobile as required under subsection (2).

22 (4) Upon receipt by the department of a certificate of inspection completed by a peace officer or
23 authorized member of the department verifying that the identification number has been stamped or securely
24 attached in a conspicuous position upon the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat,
25 personal watercraft, sailboat, or snowmobile, accompanied by an application for a certificate of title and the
26 required fee, the department shall use the number as the numeric or alphanumeric identification mark for the
27 motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile
28 in any certificate of title that may be issued."

29

30 **Section 6.** Section 61-3-116, MCA, is amended to read:

1 **"61-3-116. Services that may be performed by authorized agent.** (1) The department may authorize
 2 a person to perform, on the department's behalf, specific motor vehicle titling, registration, or driver licensing
 3 functions assigned to or administered by the department under this title. The authorization must be evidenced
 4 by an authorized agent agreement.

5 (2) An authorized agent must meet all of the requirements established by the department.

6 (3) An authorized agent shall, within the time period prescribed in the authorized agent agreement,
 7 submit to the department or its designee all statutorily prescribed fees, taxes, or penalties the authorized agent
 8 collects.

9 (4) (a) Except when specifically prohibited by statute or the authorized agent agreement, in addition to
 10 statutorily prescribed fees, taxes, and penalties, an authorized agent may collect and retain a reasonable
 11 convenience fee for services provided.

12 (b) If an authorized agent is a municipal or county officer, the convenience fee may be charged and
 13 collected as permitted under 7-5-2133 or 7-5-4125.

14 (5) The department may provide an automated mechanism to ensure that any statutorily prescribed fee,
 15 tax, or penalty collected by an authorized agent or a county treasurer in a county other than the county where
 16 the owner of the vehicle is domiciled is transferred to the county treasurer of the county where the owner of a
 17 vehicle is domiciled.

18 (6) The department shall authorize the issuance of motor vehicle titles by a county treasurer."

19

20 **Section 7.** Section 61-3-202, MCA, is amended to read:

21 **"61-3-202. Certificate of title -- issuance -- contents -- joint ownership.** (1) A certificate of title issued
 22 by the department or a county treasurer must contain:

23 (a) the date issued;

24 (b) the name and address of the owner;

25 (c) the mileage disclosed by the transferor when ownership of the motor vehicle, trailer, semitrailer, pole
 26 trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile was transferred, including a notation that
 27 the record mileage is actual, not actual, or exceeds mechanical limits;

28 (d) the name and address of each secured party and lienholder, in the order of priority and perfection
 29 or, if the application was based on a surrendered certificate of title, in the order that the names and addresses
 30 are shown on the certificate of title;

1 (e) the title number assigned to the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat,
2 personal watercraft, sailboat, or snowmobile;

3 (f) the name of the jurisdiction in which the motor vehicle, trailer, semitrailer, pole trailer, camper,
4 motorboat, personal watercraft, sailboat, or snowmobile owner resides, the words "certificate of title", the motor
5 vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile
6 identification number, the manufacturer's designated model year of manufacture, make, and model of the motor
7 vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile, and any
8 required or carried-forward brands;

9 (g) the unique transaction record number, if available and assigned by the department; and

10 (h) any other data that the department prescribes.

11 (2) A certificate of title issued by the department or county treasurer is valid until canceled by the
12 department or the county treasurer upon:

13 (a) a transfer, in the electronic record, of title of any ownership interest shown in the certificate of title;

14 (b) notice received by the department or county treasurer of the surrender of the certificate of title to a
15 motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile
16 to a title-issuing agency of another jurisdiction for an issuance of a title in that jurisdiction;

17 (c) the issuance of a duplicate certificate of title; or

18 (d) a determination by the department or the county treasurer that the certificate of title contains a
19 substantial error or that the person who requested issuance of the certificate of title paid the required fees and
20 taxes with an insufficient funds check.

21 (3) (a) Whenever the conditions described in subsection (2)(d) occur, the department or the county
22 treasurer shall:

23 (i) give prompt written notice of the cancellation of the certificate of title to any owner, secured party, or
24 lienholder of record; and

25 (ii) stop any change to the electronic record of title.

26 (b) The action taken by the department or county treasurer under subsection (3)(a) prevents the transfer
27 of any ownership interest until the error is corrected or the fees and taxes have been paid.

28 (4) If the names and addresses of more than one owner are listed on the certificate of title, joint
29 ownership with right of survivorship, and not as tenants in common, is presumed."

30

1 **Section 8.** Section 61-3-203, MCA, is amended to read:

2 **"61-3-203. Fee for original certificate of title -- disposition.** (1) Until June 30, 2026, a person applying
3 for a certificate of title shall pay the department, its authorized agent, or a county treasurer a fee of:

4 (a) \$10 if the vehicle for which a certificate of title is sought is not a light vehicle or a truck or bus that
5 weighs less than 1 ton; or

6 (b) \$12 if the vehicle for which application is made is a light vehicle or a truck or bus that weighs less
7 than 1 ton.

8 (2) (a) The amount of \$5 of the fee imposed pursuant to subsection (1) must be forwarded to the
9 department for deposit in the motor vehicle information technology system account provided for in 61-3-550, and,
10 except as provided in subsection (2)(b), the remaining amount must be deposited in the state general fund.

11 (b) If the county treasurer issues the certificate of title, the remaining amount must be retained by the
12 county treasurer for deposit in the county general fund.

13 (3) (a) Beginning July 1, 2026, the fee imposed in subsection (1)(a) is \$5 and the fee imposed in
14 subsection (1)(b) is \$7 and, except as provided in subsection (3)(b), all fees paid pursuant to this section must
15 be deposited in the state general fund.

16 (b) If the county treasurer issues the certificate of title, the fees collected must be retained by the county
17 treasurer for deposit in the county general fund."

18

19 **Section 9.** Section 61-3-204, MCA, is amended to read:

20 **"61-3-204. Replacement certificate of title -- application.** (1) (a) If a certificate of title is lost, stolen,
21 destroyed, mutilated, or becomes illegible or if the owner wants to update personal information on the electronic
22 record of title or have a replacement certificate of title issued with updated information, the owner, as shown on
23 the electronic record of title, may apply for and request the department or the county treasurer to issue a
24 replacement certificate of title. The application must include satisfactory evidence of the facts requiring the
25 replacement certificate of title and be accompanied by a fee of \$10, plus any additional fee imposed by the county
26 treasurer as provided in subsection (3).

27 (b) The amount of \$5 of the fee must be deposited in the state general fund in accordance with 15-1-504,
28 and the remaining \$5 must be deposited in the motor vehicle information technology system account provided
29 for in 61-3-550.

30 (c) Beginning July 1, 2026, the fee for a replacement certificate of title is \$5 and the entire fee must be

1 deposited in the state general fund.

2 (2) Each replacement certificate of title issued by the department must contain the following statement:

3 "This replacement voids any previously issued title."

4 (3) If the county treasurer issues the replacement certificate of title, the county treasurer may impose
5 a reasonable fee to offset the costs of issuing the title. The fee must be deposited in the county general fund."

6

7 **Section 10.** Section 61-3-208, MCA, is amended to read:

8 **"61-3-208. Affidavit and bond for certificate of title.** (1) If an applicant for a certificate of title cannot
9 provide the department or the county treasurer with the certificate of title that assigns the prior owner's interest
10 in the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or
11 snowmobile to the applicant, the department or the county treasurer may issue a certificate of title if subsection
12 (2) is complied with.

13 (2) (a) The applicant shall submit an affidavit in a form prescribed by the department that must be signed
14 and sworn to before an officer authorized to administer oaths and affirmations. The affidavit must accompany the
15 application for the certificate of title and must:

16 (i) include the facts and circumstances through which the applicant acquired ownership and possession
17 of the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or
18 snowmobile;

19 (ii) disclose security interests, liens, or encumbrances that are known to the applicant and that are
20 outstanding against the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft,
21 sailboat, or snowmobile;

22 (iii) state that the applicant has the right to have a certificate of title issued.

23 (b) The application must satisfy one of the following conditions:

24 (i) The vehicle for which the application is being made must be a camper, off-highway vehicle, motorboat,
25 personal watercraft, sailboat 12 feet in length or longer, or snowmobile, and the loss of the certificate of title must
26 be established by the applicant to the department's or county treasurer's satisfaction.

27 (ii) If application is being made for a certificate of title to a motor vehicle, trailer, semitrailer, or pole trailer
28 with a value of \$500 or less, the applicant shall establish the loss of the certificate of title to the department's or
29 county treasurer's satisfaction and either provide evidence of the average trade-in or wholesale value of the motor
30 vehicle, trailer, semitrailer, or pole trailer as determined by the applicable national appraisal guide for the vehicle

1 as of January 1 for the year in which the application is made or, if a national appraisal guide is not available for
2 a motor vehicle, trailer, semitrailer, or pole trailer, the applicant shall certify that the value of the motor vehicle,
3 trailer, semitrailer, or pole trailer is \$500 or less.

4 (iii) If application is being made for a motor vehicle, trailer, semitrailer, or pole trailer with a value that
5 exceeds \$500, the applicant shall provide a bond, in a form prescribed by the department, issued by a surety
6 company authorized to do business in this state, in an amount equal to the value of the motor vehicle, trailer,
7 semitrailer, or pole trailer for which the application is being made as determined by the applicant, based on
8 information from the applicable national appraisal guide for the motor vehicle, trailer, semitrailer, or pole trailer
9 as of January 1 for the year in which the application is made or, if a national appraisal guide is not available for
10 a motor vehicle, trailer, semitrailer, or pole trailer, according to the applicant's knowledge and belief. The bond
11 is conditioned to indemnify a prior owner, lienholder, subsequent purchaser, secured creditor, or encumbrancer
12 of the motor vehicle, trailer, semitrailer, or pole trailer and any respective successors in interest against expenses,
13 losses, or damages, including reasonable attorney fees, caused by the issuance of the certificate of title or by
14 a defect in or undisclosed security interest upon the right, title, and interest of the applicant in the motor vehicle,
15 trailer, semitrailer, or pole trailer.

16 (iv) If the application is being made for a motor vehicle sold without a manufacturer's certificate of origin,
17 the applicant shall:

18 (A) purchase and install all equipment required for the motor vehicle pursuant to Title 61, chapter 9, part
19 2;

20 (B) obtain an inspection by a law enforcement agent to verify that all required equipment is present and
21 operational;

22 (C) provide a bond, in a form prescribed by the department, issued by a surety company authorized to
23 do business in this state, in an amount equal to the full retail price of the motor vehicle for which the application
24 is being made. The bond is conditioned to indemnify a prior owner, lienholder, subsequent purchaser, secured
25 creditor, or encumbrancer of the motor vehicle and any respective successors in interest against expenses,
26 losses, or damages, including reasonable attorney fees, caused by the issuance of the certificate of title or by
27 a defect in or undisclosed security interest upon the right, title, and interest of the applicant in the motor vehicle.

28 (3) Any interested person has a right of action to recover on the bond furnished under this section for
29 a breach of its conditions, but the aggregate liability of the surety to all persons may not exceed the amount of
30 the bond.

1 (4) Unless the department has been notified of a pending action to recover the bond furnished under this
2 section, the department shall return the bond at the earlier of:

3 (a) 3 years from the date of issuance of the certificate of title; or

4 (b) the date of surrender of the valid certificate of title to the department if the motor vehicle, trailer,
5 semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile is no longer required
6 to have a certificate of title in this state."
7

8 **Section 11.** Section 61-3-212, MCA, is amended to read:

9 **"61-3-212. Retitling salvage vehicles -- penalty.** (1) Prior to operating a salvage vehicle on the roads
10 and highways of this state, the owner shall present the motor vehicle and the salvage certificate, if one has been
11 issued, or the certificate of title, the appropriate receipts or bills of sale establishing ownership, and the source
12 of component parts used to rebuild the motor vehicle to a department employee or designated peace officer for
13 inspection, as provided in 61-3-223. An owner may obtain a temporary registration permit under 61-3-224 for the
14 purpose of moving a salvage vehicle to and from the designated inspection site.

15 (2) (a) The inspector shall inspect the motor vehicle to verify the identity of the motor vehicle.

16 (b) The inspector shall verify that the component parts used to rebuild the motor vehicle are evidenced
17 by traceable receipts or bills of sale and that there are no indications that the motor vehicle or any of its parts are
18 stolen. Documentation provided by the owner or employee of a wrecking facility licensed under the provisions
19 of Title 75, chapter 10, part 5, is prima facie evidence of the facts stated in the documentation.

20 (3) Following inspection and prior to operating the motor vehicle on the roads and highways of this state,
21 the owner shall apply for a new certificate of title by submitting the application, the salvage certificate, receipts
22 or bills of sale, and a copy of the inspection report to the department or county treasurer.

23 (4) Upon receipt of the application, required documentation, and payment of the fee required in 61-3-203,
24 the department or county treasurer shall issue a new certificate of title with the words "rebuilt salvage" on the face
25 of the certificate of title.

26 (5) A person failing to comply with the provisions of this part is guilty of a misdemeanor and upon
27 conviction shall be fined an amount not to exceed \$500. The salvage vehicle purchaser shall produce the salvage
28 certificate upon request of a public official legally entitled to request the certificate. A person may not operate or
29 use a salvage vehicle on the roads or highways of this state except when a temporary registration permit has
30 been issued as provided in subsection (1)."

1

2 **Section 12.** Section 61-3-216, MCA, is amended to read:

3 **"61-3-216. Certificates of title -- application -- contents -- issuance.** (1) The owner of a motor vehicle,
4 trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or
5 off-highway vehicle shall apply for a certificate of title on a form prescribed by the department or, if authorized by
6 the department, in an electronic record provided by the department and made available to an authorized agent
7 of the department or a county treasurer.

8 (2) The application for a certificate of title, upon completion, must include:

9 (a) the owner's name, Montana residence and, if different, mailing address, and customer identification
10 number;

11 (b) a description of the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat,
12 personal watercraft, sailboat, snowmobile, or off-highway vehicle, including, as available and pertinent to the
13 vehicle:

14 (i) the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft,
15 sailboat, snowmobile, or off-highway vehicle make, model, manufacturer's designated model year of manufacture,
16 vehicle identification number, and type of body and a description of motive power;

17 (ii) the odometer reading, if applicable, at the time of transfer of ownership;

18 (iii) the gross vehicle weight rating, gross vehicle weight, or shipping weight, if applicable, as determined
19 by the manufacturer;

20 (iv) whether the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal
21 watercraft, sailboat, snowmobile, or off-highway vehicle was new or used at the time of transfer; and

22 (v) for a trailer operating intrastate, its declared weight;

23 (c) the date on which the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat,
24 personal watercraft, sailboat, snowmobile, or off-highway vehicle was purchased by or was transferred to the
25 applicant, the name and address of the person from whom the motor vehicle, trailer, semitrailer, pole trailer, travel
26 trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle was acquired, and
27 the names and addresses of any secured parties or lienholders for whom the applicant is acknowledging a
28 voluntary security interest;

29 (d) any other information that the department requires to identify the motor vehicle, trailer, semitrailer,
30 pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle

1 and to enable the department or county treasurer to determine whether the owner is entitled to a certificate of title
2 and to determine the existence of security interests in the motor vehicle, trailer, semitrailer, pole trailer, travel
3 trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle;

4 (e) if applicable, an odometer statement containing the information required in 61-3-206 or, if the title
5 does not contain a space for the information, a separate document approved by the department that provides the
6 same information that is required in 61-3-206; and

7 (f) a section that gives the applicant the option to direct the department or county treasurer, upon
8 examination and review of the records and completion of the application process, to:

9 (i) issue a certificate of title as soon as possible; or

10 (ii) update the electronic record of title for the motor vehicle, trailer, semitrailer, pole trailer, travel trailer,
11 camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, issue a transaction
12 summary receipt, and postpone the issuance of a certificate of a title until the motor vehicle, trailer, semitrailer,
13 pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle
14 owner submits a separate request for issuance of the certificate of title.

15 (3) The department or county treasurer may require a manufacturer's certificate of origin to be submitted
16 with an application for a certificate of title to a new motor vehicle, trailer, semitrailer, pole trailer, travel trailer,
17 camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle.

18 (4) Except as provided in 61-3-208 or subsection (4)(b) of this section, if the application is for a certificate
19 of title to a used motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal
20 watercraft, sailboat, snowmobile, or off-highway vehicle, the application must be:

21 (a) accompanied by a certificate of title that is properly assigned by the prior owner to the applicant; or

22 (b) acknowledged by the prior owner if the prior owner's interest in the motor vehicle, trailer, semitrailer,
23 pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle
24 was assigned to the applicant by means of a transfer on the electronic record of title entered by an authorized
25 agent of the department or a county treasurer.

26 (5) If the application is for a certificate of title to a camper and if a certificate of title properly assigned by
27 the prior owner is not available, the application must be accompanied by a notarized bill of sale or a conditional
28 sales contract.

29 (6) If the application is for a certificate of title to a motorboat, a personal watercraft, a sailboat that is 12
30 feet in length or longer, or a snowmobile and a certificate of title properly assigned by the prior owner is not

1 available, the application must be accompanied by a notarized bill of sale, an invoice, the current registration
2 receipt for the motorboat, personal watercraft, sailboat, or snowmobile, or a certificate of number showing the
3 transfer of ownership, which may be used to show the transfer of ownership for a motorboat, personal watercraft,
4 sailboat, or snowmobile from the immediate prior owner to the applicant."
5

6 **Section 13.** Section 61-3-218, MCA, is amended to read:

7 **"61-3-218. Certificate of title -- issuance -- delivery.** (1) Except as provided in subsection (2), if a
8 person who applied for a certificate of title also requested the issuance of the certificate of title as provided in
9 61-3-216(2)(f)(i), upon receipt of the application and all supporting documents and after an examination and
10 determination that the application is complete and regular, the department or county treasurer shall issue a
11 certificate of title of the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft,
12 sailboat, or snowmobile and shall ~~mail~~ provide the certificate of title to the owner.

13 (2) If a person to whom a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal
14 watercraft, sailboat, or snowmobile was transferred has not satisfied the titling and registration provisions of this
15 chapter or, if applicable, the registration provisions of Title 23, chapter 2, part 5 or 6, within the 40-day period
16 provided in 61-3-220(3) and the secured party or lienholder pays the title fee required in 61-3-203, the department
17 or county treasurer may ~~mail~~ provide a certificate of title to the secured party or lienholder upon request of the
18 secured party or lienholder.

19 (3) (a) A motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat,
20 or snowmobile owner who requested the delayed issuance of a certificate of title under 61-3-216(2)(f)(ii), in the
21 initial application for a certificate of title, may submit a request for the issuance of the certificate of title to the
22 department, its authorized agent, or a county treasurer in a manner prescribed by the department. Upon receipt,
23 the department or county treasurer shall issue a certificate of title for the motor vehicle, trailer, semitrailer, pole
24 trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile and ~~mail~~ provide the certificate of title
25 to the owner.

26 (b) A title fee may not be demanded from the owner or collected by the department, its authorized agent,
27 or a county treasurer for a certificate of title requested or issued under subsection (3)(a)."
28

29 **Section 14.** Section 61-3-219, MCA, is amended to read:

30 **"61-3-219. Refusal to issue certificate of title.** The department or county treasurer may refuse to issue

1 a certificate of title if any required fee is not paid or if the department or county treasurer has reasonable grounds
2 to believe that:

- 3 (1) the applicant is not the owner of the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat,
4 personal watercraft, sailboat, or snowmobile;
5 (2) the application contains a false or fraudulent statement;
6 (3) the applicant failed to furnish any information or document required by the department; or
7 (4) based on the check performed under 61-3-217(2), the motor vehicle, trailer, semitrailer, pole trailer,
8 camper, motorboat, personal watercraft, sailboat, or snowmobile has been reported as stolen."
9

10 **Section 15.** Section 61-3-222, MCA, is amended to read:

11 **"61-3-222. Surviving spouse or heir -- small estates.** (1) Subject to the requirements of Title 72,
12 chapter 3, part 11, the surviving spouse or other heir may secure transfer of a decedent's ownership interests
13 in one or more motor vehicles, trailers, semitrailers, pole trailers, campers, motorboats, personal watercraft,
14 sailboats, or snowmobiles for which a certificate of title was issued under this chapter if:

- 15 (a) the value of the entire estate, including any vehicles, vessels, or snowmobiles for which transfer of
16 ownership is sought, less liens and encumbrances, does not exceed the limit set forth in 72-3-1101;
17 (b) the decedent did not leave other property that requires the procuring of letters of administration or
18 letters testamentary; and
19 (c) the decedent did not by execution of a will otherwise bequeath the property.

20 (2) The person seeking transfer of the decedent's interests under this section shall file an affidavit with
21 the department setting forth the fact of survivorship, the name and address of any other heirs, and any other facts
22 determined necessary to entitle the person to the transfer.

23 (3) If the department or county treasurer determines that the transfer is regular and that all legal
24 requirements have been met, the department or county treasurer shall issue a certificate of title, subject to any
25 security interests shown by the department's or county treasurer's records, to the surviving spouse or other heir."
26

27 **Section 16.** Section 61-3-223, MCA, is amended to read:

28 **"61-3-223. Salvage vehicles.** (1) A salvage vehicle for which a certificate of title is sought must be
29 inspected for the vehicle identification number to authenticate the identity of the motor vehicle before an electronic
30 record of title can be created or a certificate of title can be issued. The inspection does not attest to the

1 roadworthiness or safety condition of the motor vehicle and must be performed by an authorized employee or
2 an authorized agent of the department or by a peace officer designated by the department.

3 (2) The department may contract with a person or entity for use of a facility as a regional inspection site
4 for salvage vehicles.

5 (3) The department shall collect an inspection fee of \$18.50 from the person requesting the inspection
6 for each salvage vehicle inspected. The fee collected under this section must be deposited in the state general
7 fund.

8 (4) (a) A person authorized to inspect salvage vehicles may seize and hold a vehicle:

9 (i) if the person has probable cause to believe that the motor vehicle has been stolen;

10 (ii) on which a motor number or vehicle identification number has been defaced, altered, removed,
11 covered, destroyed, or obliterated; or

12 (iii) that has a vehicle identification number that does not conform with the vehicle identification number
13 on the certificate of title.

14 (b) A seized motor vehicle must be held until the identity of the motor vehicle is established and
15 arrangements are made for its lawful disposition. A person authorized to inspect salvage vehicles may use any
16 means necessary to identify a motor vehicle by its vehicle identification number or numbers.

17 (5) The department or county treasurer may not create an electronic record of title or issue a certificate
18 of title for a salvage vehicle until the identity of the motor vehicle is established.

19 (6) The department may adopt rules for the inspection of salvage vehicles."
20

21 **Section 17.** Section 61-3-324, MCA, is amended to read:

22 **"61-3-324. Fleet registration -- application -- additions to and deletions from fleet.** (1) A person
23 owning or leasing a fleet may register the fleet annually through the department in lieu of registering each motor
24 vehicle, trailer, semitrailer, or pole trailer in its domicile.

25 (2) (a) Except as provided in subsection (2)(b), fleet registration information, as prescribed by the
26 department, must be submitted to the department prior to November 1 of each year.

27 (b) The fleet owner or lessor and the department may enter into an agreement to change the registration
28 period for the fleet in a manner that comports with the requirements of 61-3-311(3).

29 (3) A motor vehicle, trailer, semitrailer, or pole trailer may be added to the fleet at any time during the
30 registration period. If a certificate of title for a vehicle to be added to the fleet has not been issued by the

1 department or county treasurer, the fleet owner or lessor may submit the application for certificate of title directly
2 to the department or county treasurer.

3 (4) A motor vehicle, trailer, semitrailer, or pole trailer may be removed from a fleet if the fleet owner or
4 lessor notifies the department of its removal. Upon receipt of the notice, the department shall cancel the vehicle's
5 registration."

6

7 **Section 18.** Section 61-3-435, MCA, is amended to read:

8 **"61-3-435. Certificate of title -- transaction summary receipt -- prima facie evidence.** A certificate
9 of title or transaction summary receipt issued by, or under the authority of, the department or county treasurer
10 is prima facie evidence of the facts appearing on the certificate of title or transaction summary receipt."

11

12 NEW SECTION. **Section 19. Effective date.** [This act] is effective July 1, 2017.

13

- END -