

1 HOUSE BILL NO. 556

2 INTRODUCED BY S. LAVIN

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS GOVERNING MOTOR VEHICLE
5 TITLING AND REGISTRATION; PROVIDING FOR APPLICATION FOR AND ISSUANCE OF A CERTIFICATE
6 OF TITLE FOR A MOTOR VEHICLE WITHOUT THE APPLICANT BEING REQUIRED TO REGISTER THE
7 MOTOR VEHICLE UNDER CERTAIN CIRCUMSTANCES; ALLOWING AN APPLICANT TO SIGN AN
8 AFFIDAVIT SWEARING THAT THE MOTOR VEHICLE WILL NOT BE OPERATED ON PUBLIC HIGHWAYS;
9 REQUIRING ACCEPTANCE OF AN ELECTRONIC BILL OF SALE FOR ISSUANCE OF A TEMPORARY
10 REGISTRATION PERMIT; REQUIRING ACCEPTANCE OF ELECTRONIC DOCUMENTS AND SIGNATURES
11 IN APPLICATION FOR A TITLE; REMOVING THE REQUIREMENT THAT A GENERAL TRANSPORTATION
12 COLLECTOR'S ITEM LICENSE PLATE APPLICATION CONTAIN CERTIFICATION FROM THE DEPARTMENT
13 OF JUSTICE THAT A DUPLICATE LICENSE PLATE NUMBER DOES NOT EXIST AMONG CURRENTLY
14 ISSUED LICENSE PLATES; AMENDING SECTIONS 61-3-216, 61-3-220, 61-3-224, AND 61-3-412, MCA; AND
15 PROVIDING A DELAYED EFFECTIVE DATE."

16

17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

18

19 **Section 1.** Section 61-3-216, MCA, is amended to read:

20 **"61-3-216. Certificates of title -- application -- contents -- issuance.** (1) The owner of a motor vehicle,
21 trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or
22 off-highway vehicle shall apply for a certificate of title on a form prescribed by the department or, if authorized by
23 the department and subject to subsection (7), in an electronic record provided by the department and made
24 available to an authorized agent of the department or a county treasurer.

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

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

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

- 1 (i) the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft,
2 sailboat, snowmobile, or off-highway vehicle make, model, manufacturer's designated model year of manufacture,
3 vehicle identification number, and type of body and a description of motive power;
- 4 (ii) the odometer reading, if applicable, at the time of transfer of ownership;
- 5 (iii) the gross vehicle weight rating, gross vehicle weight, or shipping weight, if applicable, as determined
6 by the manufacturer;
- 7 (iv) whether the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal
8 watercraft, sailboat, snowmobile, or off-highway vehicle was new or used at the time of transfer; and
- 9 (v) for a trailer operating intrastate, its declared weight;
- 10 (c) the date on which the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat,
11 personal watercraft, sailboat, snowmobile, or off-highway vehicle was purchased by or was transferred to the
12 applicant, the name and address of the person from whom the motor vehicle, trailer, semitrailer, pole trailer, travel
13 trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle was acquired, and
14 the names and addresses of any secured parties or lienholders for whom the applicant is acknowledging a
15 voluntary security interest;
- 16 (d) any other information that the department requires to identify the motor vehicle, trailer, semitrailer,
17 pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle
18 and to enable the department to determine whether the owner is entitled to a certificate of title and to determine
19 the existence of security interests in the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper,
20 motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle;
- 21 (e) if applicable, an odometer statement containing the information required in 61-3-206 or, if the title
22 does not contain a space for the information, a separate document approved by the department that provides the
23 same information that is required in 61-3-206; ~~and~~
- 24 (f) a section that gives the applicant the option to direct the department, upon examination and review
25 of the records and completion of the application process, to:
- 26 (i) issue a certificate of title as soon as possible; or
- 27 (ii) update the electronic record of title for the motor vehicle, trailer, semitrailer, pole trailer, travel trailer,
28 camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, issue a transaction
29 summary receipt, and postpone the issuance of a certificate of a title until the motor vehicle, trailer, semitrailer,
30 pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle

1 owner submits a separate request for issuance of the certificate of title; and

2 (g) a section that gives an applicant for a certificate of title for a motor vehicle the option to sign an
3 affidavit swearing that the applicant will not operate the motor vehicle on the public highways of Montana if the
4 person wishes to receive a certificate of title without being required to register the motor vehicle.

5 (3) If the application is for a certificate of title to a new motor vehicle, trailer, semitrailer, pole trailer, travel
6 trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, the application must
7 be accompanied by a manufacturer's certificate of origin, properly assigned to the applicant.

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

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

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

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

19 (6) If the application is for a certificate of title to a motorboat, a personal watercraft, a sailboat that is 12
20 feet in length or longer, or a snowmobile and a certificate of title properly assigned by the prior owner is not
21 available, the application must be accompanied by a notarized bill of sale, an invoice, the current registration
22 receipt for the motorboat, personal watercraft, sailboat, or snowmobile, or a certificate of number showing the
23 transfer of ownership, which may be used to show the transfer of ownership for a motorboat, personal watercraft,
24 sailboat, or snowmobile from the immediate prior owner to the applicant.

25 (7) A record or signature required under this section that is submitted in an electronic form must be
26 accepted by the department as satisfying the requirement for the record or signature."

27

28 **Section 2.** Section 61-3-220, MCA, is amended to read:

29 **"61-3-220. Certificate of title -- voluntary transfer -- duties.** (1) Upon the voluntary transfer of any
30 interest in a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or

1 snowmobile for which a certificate of title was issued under the provisions of this chapter, the owner whose
2 interest is to be transferred shall:

3 (a) authorize, in writing and on a form prescribed by the department, an authorized agent, or a county
4 treasurer, to enter the transfer of the owner's interest in the motor vehicle, trailer, semitrailer, pole trailer, camper,
5 motorboat, personal watercraft, sailboat, or snowmobile to the transferee on the electronic record of title
6 maintained under 61-3-101; or

7 (b) execute a transfer in the appropriate space provided on the certificate of title issued to the owner and
8 deliver the assigned certificate of title to:

9 (i) the transferee at the time of delivery of the motor vehicle, trailer, semitrailer, pole trailer, camper,
10 motorboat, personal watercraft, sailboat, or snowmobile; or

11 (ii) the department, its authorized agent, or a county treasurer if an application for a certificate of title has
12 been completed by the transferee and accompanies the assigned certificate of title.

13 (2) The transferor's signature on the certificate of title, or the form authorizing transfer of interest upon
14 the electronic record of title, must be acknowledged before the county treasurer, a deputy county treasurer, an
15 elected official authorized to acknowledge signatures, an employee or authorized agent of the department, or a
16 notary public.

17 (3) Except as provided in 61-4-111 and subsection (6), the person to whom an interest in a motor vehicle
18 has been transferred shall:

19 (a) execute an application for a certificate of title in the space provided on the assigned certificate of title
20 or as prescribed by the department; and

21 (b) within 40 days after the interest in the motor vehicle, trailer, semitrailer, pole trailer, camper,
22 motorboat, personal watercraft, sailboat, or snowmobile was transferred to the person, either:

23 (i) apply for a certificate of title under 61-3-216 and register the motor vehicle, trailer, semitrailer, pole
24 trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile under 61-3-303; or

25 (ii) subject to the limitations of 61-3-312, register the motor vehicle, trailer, semitrailer, pole trailer,
26 camper, motorboat, personal watercraft, sailboat, or snowmobile without the surrender of a previously assigned
27 certificate of title and application for certificate of title under 61-3-303.

28 (4) If the person to whom an interest in a motor vehicle, trailer, semitrailer, pole trailer, camper,
29 motorboat, personal watercraft, sailboat, or snowmobile has been transferred fails to comply with the
30 requirements described in subsection (3) within the 40-day grace period, a late penalty of \$10 must be imposed

1 against the transferee. The penalty must be paid before the transferee registers the motor vehicle, trailer,
2 semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile in this state, with or
3 without the surrender of an assigned certificate of title. The penalty is in addition to the fees otherwise provided
4 by law.

5 (5) If the transferee does not comply with the requirements of subsection (3) within the 40-day grace
6 period, a secured party or lienholder of record may pay the fees for the transfer of title and for filing a voluntary
7 security interest or lien. The secured party or lienholder is not liable for the late penalty imposed in subsection
8 (4) or for registration fees, taxes, or fees in lieu of tax on the motor vehicle, trailer, semitrailer, pole trailer, camper,
9 motorboat, personal watercraft, sailboat, or snowmobile.

10 (6) The provisions of subsection (3)(b) do not apply if the person to whom an interest in a motor vehicle
11 has been transferred has signed an affidavit as provided in 61-3-216(2)(g)."

12

13 **Section 3.** Section 61-3-224, MCA, is amended to read:

14 **"61-3-224. Temporary registration permit -- authority to adopt rules -- issuance -- placement --**
15 **fees.** (1) The department may adopt rules governing the issuance of temporary registration permits. The rules
16 must specify the purposes for which a temporary registration permit may be issued, including but not limited to
17 issuance to:

18 (a) a Montana resident who acquires a new or used motor vehicle, trailer, semitrailer, pole trailer,
19 motorboat, sailboat that is 12 feet in length or longer, snowmobile, or off-highway vehicle for operation of the
20 vehicle or vessel prior to titling and registration of the vehicle or vessel under this chapter;

21 (b) the owner of a salvage vehicle or a vehicle requiring a state-assigned vehicle identification number
22 in order to move the vehicle to and from a designated inspection site prior to applying for a new certificate of title
23 under 61-3-107 or 61-3-212;

24 (c) the owner of a motor vehicle, trailer, semitrailer, or pole trailer registered in this state for operation
25 of the vehicle while awaiting production and receipt of special or duplicate license plates ordered for the vehicle
26 under this chapter;

27 (d) a nonresident of this state who acquires a motor vehicle, trailer, semitrailer, or pole trailer in this state
28 for operation of the vehicle prior to its titling and registration under the laws of the nonresident's jurisdiction of
29 residence;

30 (e) a dealer licensed in another state who brings a motor vehicle or trailer designed and used to apply

1 fertilizer to agricultural lands into the state for special demonstration in this state;

2 (f) a financial institution located in Montana for a prospective purchaser to demonstrate a motor vehicle
3 that the financial institution has obtained following repossession; or

4 (g) an insurer or its agent to move a motor vehicle or trailer to auction following acquisition of the vehicle
5 by the insurer as a result of the settlement of an insurance claim.

6 (2) (a) The department, an authorized agent, or a county treasurer may issue a temporary registration
7 permit for any purpose authorized under the rules adopted by the department.

8 (b) An authorized agent or a county treasurer may issue a temporary registration permit without use of
9 the department-approved electronic interface only if authorized by the department.

10 (3) A person, using a department-approved electronic interface, may issue a temporary registration
11 permit for any purpose authorized under the rules adopted by the department.

12 (4) A temporary registration permit issued under this section must contain the following information:

13 (a) a temporary plate number as prescribed by the department;

14 (b) the expiration date of the temporary registration permit; and

15 (c) if required by the department, a description of the motor vehicle, trailer, semitrailer, pole trailer,
16 motorboat, personal watercraft, sailboat, or snowmobile, including year, make, model, and vehicle identification
17 number, the name of the person from whom ownership of the motor vehicle, trailer, semitrailer, pole trailer,
18 motorboat, personal watercraft, sailboat, or snowmobile was transferred, the name, mailing address, and
19 residence address of the person to whom ownership of the motor vehicle, trailer, semitrailer, pole trailer,
20 motorboat, personal watercraft, sailboat, or snowmobile has been transferred, and the date of issuance.

21 (5) A temporary registration permit for:

22 (a) a motor vehicle, trailer, semitrailer, or pole trailer must be plainly visible and firmly attached to the
23 rear exterior of the vehicle where a license plate is required to be displayed; and

24 (b) a motorboat, a sailboat that is 12 feet in length or longer, a snowmobile, or an off-highway vehicle
25 must be plainly visible and firmly attached to the vehicle or vessel.

26 (6) (a) Except as provided in 61-3-431 and subsection (6)(b) of this section, a \$3 fee is imposed upon
27 issuance of a temporary registration permit by the department, an authorized agent, or a county treasurer. The
28 fee must be paid by the owner of the vehicle or vessel and collected by the department, the authorized agent,
29 or a county treasurer when the vehicle is registered.

30 (b) Except as provided in 61-3-431, a fee of \$8 is imposed and must be paid upon issuance of a

1 temporary registration permit by:

2 (i) the department, an authorized agent, or a county treasurer to a nonresident of this state who acquires
3 a vehicle or vessel in this state; or

4 (ii) a person who issued a temporary registration permit using a department-approved electronic interface.

5 (7) The fees imposed under this section, upon collection, must be forwarded to the state and deposited
6 in the motor vehicle electronic commerce operating account provided for in 61-3-118.

7 (8) If a temporary registration permit is issued under this section to a person to whom ownership of a
8 vehicle or vessel has been transferred, the permitholder shall title and register the vehicle or vessel in this or
9 another jurisdiction before the ownership of the vehicle or vessel may be transferred to another person.

10 (9) The rules adopted under this section must allow for the acceptance of an electronic record of a bill
11 of sale by the department, an authorized agent, or a county treasurer as proof of transfer of ownership required
12 for the issuance of a temporary registration permit."

13

14 **Section 4.** Section 61-3-412, MCA, is amended to read:

15 **"61-3-412. Display of original Montana license plates on collector's item and general**
16 **transportation collector's item motor vehicles -- definition -- validation.** (1) As used in 61-3-413 and this
17 section, "original Montana license plate" means a license plate issued according to the provisions of 61-3-331;
18 section 53-116, R.C.M. 1947; section 1759.1, R.C.M. 1935; or section 1759, R.C.M. 1921; whichever section was
19 effective during the year of the manufacture of the motor vehicle, trailer, semitrailer, or pole trailer on which the
20 license plate is authorized to be displayed.

21 (2) Notwithstanding the provisions of 61-3-332, the department shall authorize the owner of a motor
22 vehicle, trailer, semitrailer, or pole trailer registered as provided in 61-3-411 or 61-3-413 to display original
23 Montana license plates, with validation as required in 61-3-413 or subsection (4) of this section, after:

24 (a) payment of the fee required in subsection (6);

25 (b) inspection by a highway patrol officer of the original Montana license plate to be displayed on the
26 motor vehicle, trailer, semitrailer, or pole trailer and, upon payment of a \$5 fee, receipt of the highway patrol
27 officer's certification that the officer has determined that:

28 (i) the license plate is legible and meets the requirements of subsection (1); and

29 (ii) in the case of a license plate intended for use on a general transportation collector's item, the license
30 plate is visible at night; and

1 (c) receipt of an application by the owner of the motor vehicle, trailer, semitrailer, or pole trailer as
2 provided for in 61-3-411 or 61-3-413; and

3 ~~—— (d) in the case of a general transportation collector's item application, certification from the department
4 that a duplicate license plate number does not exist among currently issued license plates.~~

5 (3) The owner of a motor vehicle, trailer, semitrailer, or pole trailer manufactured in the year 1948, 1949,
6 or 1950 may display a single original Montana license plate that is affixed to the rear of the vehicle. The original
7 Montana license plate must be legible and must bear the year that matches the year in which the vehicle was
8 manufactured.

9 (4) If the owner of a motor vehicle, trailer, semitrailer, or pole trailer meets the requirements of subsection
10 (2), the department shall:

11 (a) register the motor vehicle, trailer, semitrailer, or pole trailer as prescribed in 61-3-303; and

12 (b) issue a validating decal inscribed with:

13 (i) a unique number; and

14 (ii) the letter:

15 (A) "P" to designate motor vehicles, trailers, semitrailers, or pole trailers described in 61-3-411(2)(a); or

16 (B) "V" to designate motor vehicles, trailers, semitrailers, or pole trailers described in 61-3-411(2)(b).

17 (5) The owner of the motor vehicle, trailer, semitrailer, or pole trailer shall permanently affix the validating
18 decal to the windshield of the collector's item motor vehicle, trailer, semitrailer, or pole trailer or, if a windshield
19 does not exist, to another prominent and visible position on the motor vehicle, trailer, semitrailer, or pole trailer.

20 (6) The owner of the motor vehicle, trailer, semitrailer, or pole trailer shall pay to the department with the
21 application required under this section a one-time special collector's item motor vehicle, trailer, semitrailer, or pole
22 trailer license fee of \$20."

23

24 **NEW SECTION. Section 5. Effective date.** [This act] is effective January 1, 2016.

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- END -