

1 HOUSE BILL NO. 256

2 INTRODUCED BY C. KEOGH

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4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING VEHICLE TITLE TRANSFER LAWS;
5 ALLOWING FOR TIME OF DEATH TRANSFER OF VEHICLE TITLE; PROVIDING FOR A BENEFICIARY
6 DESIGNATION FORM; SPECIFYING METHODS FOR REVOKING A BENEFICIARY DESIGNATION FORM;
7 SPECIFYING METHOD OF EFFECTING TRANSFER; SPECIFYING TRANSFER AS NONPROBATE
8 TRANSFER; AND AMENDING SECTION 72-6-111, MCA."

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

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12 NEW SECTION. **Section 1. Certificate of title -- transfer on death.** (1) The owner or joint owners of
13 a vehicle may arrange for nonprobate transfer of the vehicle's title at the time of death of the owner or last
14 surviving joint owner by executing and notarizing a beneficiary designation form prescribed by the department.

15 (2) (a) The beneficiary designation form prescribed by the department must include fields for the following
16 information:

17 (i) the make, model, year, and vehicle identification number of the vehicle;

18 (ii) the name and signature of the owner or every joint owner of the vehicle;

19 (iii) the name of the beneficiary or the names of the beneficiaries of the vehicle; and

20 (iv) the signature and seal of a notary public.

21 (b) The department shall provide the beneficiary designation form on its website and to the county
22 treasurer's offices of every county.

23 (3) (a) A beneficiary designation form is properly executed if it provides the information, signatures, and
24 notarization required in subsection (2).

25 (b) The owner or joint owners of a vehicle may revoke a beneficiary designation form by:

26 (i) transferring the vehicle to the beneficiary or a third party before death;

27 (ii) properly executing a subsequent beneficiary designation form; or

28 (iii) destroying the beneficiary designation form.

29 (c) An instrument for the testamentary transfer of a vehicle does not invalidate a beneficiary designation
30 form.

1 (4) After the death of the owner or last surviving joint owner of a vehicle subject to a properly executed
2 beneficiary designation form, the beneficiary may present the beneficiary designation form, proof of death of the
3 owner or joint owners of the vehicle listed on the form, and identification of the beneficiary at the county
4 treasurer's office and:

- 5 (a) request a replacement vehicle title; or
- 6 (b) effect transfer of the vehicle's title.

7 (5) This section does not limit the rights of a lienholder whose lien attached to the vehicle prior to the
8 death of the owner or last surviving joint owner named on the beneficiary designation form.

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10 **Section 2.** Section 72-6-111, MCA, is amended to read:

11 **"72-6-111. Nonprobate transfers on death.** (1) A provision for a nonprobate transfer on death in an
12 insurance policy, contract of employment, bond, mortgage, promissory note, certificated or uncertificated security,
13 account agreement, custodial agreement, deposit agreement, compensation plan, pension plan, individual
14 retirement plan, employee benefit plan, trust, conveyance, deed of gift, beneficiary deed, as defined in 72-6-121,
15 marital property agreement, beneficiary designation form, as provided for in [section 1], or other written instrument
16 of a similar nature is nontestamentary. This subsection includes a written provision that:

17 (a) money or other benefits due to, controlled by, or owned by a decedent before death must be paid
18 after the decedent's death to a person whom the decedent designates either in the instrument or in a separate
19 writing, including a will, executed either before or at the same time as the instrument or later;

20 (b) money due or to become due under the instrument ceases to be payable in the event of death of the
21 promisee or the promisor before payment or demand; or

22 (c) any property controlled by or owned by the decedent before death that is the subject of the instrument
23 passes to a person the decedent designates either in the instrument or in a separate writing, including a will,
24 executed either before or at the same time as the instrument or later.

25 (2) This section does not limit rights of creditors under other laws of this state."
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27 **NEW SECTION. Section 3. Codification instruction.** [Section 1] is intended to be codified as an
28 integral part of Title 61, chapter 3, part 2, and the provisions of Title 61, chapter 3, part 2, apply to [section 1].

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