

HOUSE BILL NO. 624

INTRODUCED BY T. MOORE

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A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING MOTOR VEHICLE LAWS; RESTRICTING THE REQUIREMENT THAT VEHICLE TITLES BE NOTARIZED TO PRIVATE PARTY TRANSACTIONS; GRANTING RULEMAKING AUTHORITY; AMENDING SECTIONS 61-3-205, 61-3-220, AND 61-3-411, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

Section 1. Section 61-3-205, MCA, is amended to read:

"61-3-205. Transfer of ownership of vehicles by insurance company. (1) (a) Except as provided in subsection (2), an insurance company or its adjuster that has taken possession of a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile as a result of settling an insurance claim and that transfers ownership of the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile shall deliver an assigned certificate of title by the registered owner or owners to the transferee at the time of transfer ~~a certificate of title signed and acknowledged by the registered owner or owners before the county treasurer, a deputy county treasurer, an authorized agent, or a notary public.~~

(b) If the certificate of title names one or more holders of a perfected security interest in the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile, the insurance company or its adjuster shall also secure and deliver to the transferee a release from the secured party of the security interest.

(2) (a) The registered owner or owners may use an electronic signature pursuant to Title 30, chapter 18, part 1, on the certificate of title or on a limited power of attorney to assign ownership of a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile. The department may prescribe the form of the limited power of attorney to be used for this purpose. ~~A certificate of title transferred with an electronic signature does not require acknowledgment by the county treasurer, a deputy county treasurer, an authorized agent, or a notary public.~~ A power of attorney executed under authority of this subsection (2)(a) does not require notarization.



1 (b) A secured party may release a perfected security interest in a motor vehicle, trailer, semitrailer, pole
2 trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile under this section by electronic signature
3 pursuant to Title 30, chapter 18, part 1.

4 (3) THE DEPARTMENT MAY ADOPT RULES FOR THE TRANSFER OF VEHICLES IN THIS SECTION."

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

7 **"61-3-220. Certificate of title -- voluntary transfer -- duties.** (1) Upon the voluntary transfer of any
8 interest in a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or
9 snowmobile for which a certificate of title was issued under the provisions of this chapter, the owner whose
10 interest is to be transferred shall:

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

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

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

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

21 (2) ~~The~~ When transfer occurs between individuals, the transferor's signature on the certificate of title,
22 or the form authorizing transfer of interest upon the electronic record of title, must be acknowledged before the
23 county treasurer, a deputy county treasurer, an elected official authorized to acknowledge signatures, an
24 employee or authorized agent of the department, or a notary public.

25 (3) Except as provided in 61-4-111, the person to whom an interest in a motor vehicle has been
26 transferred shall:

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

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

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

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

6 (4) If the person to whom an interest in a motor vehicle, trailer, semitrailer, pole trailer, camper,
7 motorboat, personal watercraft, sailboat, or snowmobile has been transferred fails to comply with the
8 requirements described in subsection (3) within the 40-day grace period, a late penalty of \$10 must be imposed
9 against the transferee. The penalty must be paid before the transferee registers the motor vehicle, trailer,
10 semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile in this state, with or
11 without the surrender of an assigned certificate of title. The penalty is in addition to the fees otherwise provided
12 by law.

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

18 (6) THE DEPARTMENT MAY ADOPT RULES FOR THE TRANSFER OF VEHICLES IN THIS SECTION."

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20 **Section 3.** Section 61-3-411, MCA, is amended to read:

21 **"61-3-411. Registration of motor vehicle owned and operated solely as collector's item.** (1) An
22 owner of a motor vehicle, trailer, semitrailer, or pole trailer that is more than 30 years old and that is used solely
23 as a collector's item and is not used for general transportation purposes may file with the department an
24 application for the registration of the motor vehicle, trailer, semitrailer, or pole trailer. ~~The application must be~~
25 ~~sworn to before an officer authorized to administer oaths.~~ The application must state:

26 (a) the name and address of the owner;

27 (b) the name and address of the person from whom the motor vehicle, trailer, semitrailer, or pole trailer
28 was purchased;

29 (c) the make, the gross weight, the year and number of the model, and the manufacturer's identification
30 number and serial number of the motor vehicle, trailer, semitrailer, or pole trailer; and

1 (d) that the motor vehicle, trailer, semitrailer, or pole trailer is owned and operated solely as a collector's
2 item and not for general transportation purposes.

3 (2) Upon receipt of the application for registration and payment of the registration fees, including fees
4 in lieu of tax, the department shall file the application and register the motor vehicle, trailer, semitrailer, or pole
5 trailer in the manner specified in 61-3-303 and, unless the applicant chooses to exercise the option allowed in
6 61-3-412, shall deliver to the applicant:

7 (a) for a motor vehicle, trailer, semitrailer, or pole trailer manufactured in 1933 or earlier, two license
8 plates bearing the inscription "Pioneer--Montana" and the registration number; or

9 (b) for a motor vehicle, trailer, semitrailer, or pole trailer manufactured in 1934 or later and more than
10 30 years old, two license plates bearing the inscription "Vintage--Montana" and the registration number.

11 (3) The year of issuance may not be shown on the plates.

12 (4) Annual renewal of the registration of a motor vehicle, trailer, semitrailer, or pole trailer registered
13 under this section is not required, and the registration is valid as long as the motor vehicle, trailer, semitrailer, or
14 pole trailer is in existence and owned by the initial registrant."

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16 NEW SECTION. **Section 4. Effective date.** [This act] is effective July 1, 2019.

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