

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

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

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11
12 NEW SECTION. **Section 1. Certificate of title -- transfer on death.** (1) The owner or joint owners of
13 a vehicle or vessel may arrange for nonprobate transfer of the vehicle's or vessel's title at the time of death of
14 the owner or last surviving joint owner by executing and notarizing a beneficiary designation form prescribed by
15 the department.

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

- 18 (i) the make, model, year, and vehicle identification number, if applicable, of the vehicle or vessel;
- 19 (ii) the name and signature of the owner or every joint owner of the vehicle or vessel;
- 20 (iii) the name of the beneficiary or the names of the beneficiaries of the vehicle or vessel; and
- 21 (iv) the signature and seal of a notary public.

22 (b) The department shall provide the beneficiary designation form on its website and to the county
23 treasurer's office of each county.

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

26 (b) An instrument for the testamentary transfer of a vehicle or vessel does not invalidate a beneficiary
27 designation form.

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1 (4) The owner or joint owners of a vehicle or vessel may revoke a beneficiary designation form by:

2 (a) transferring the vehicle or vessel to the beneficiary or a third party before death;

3 (b) properly executing a subsequent beneficiary designation form; or

4 (c) destroying the beneficiary designation form.

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

9 (i) request a replacement title for the vehicle or vessel; or

10 (ii) effect transfer of the title of the vehicle or vessel.

11 (b) The beneficiary does not acquire any use, ownership, economic, or other interest in the vehicle or
12 vessel until the beneficiary has filed the documents required by subsection (4) and the department has either
13 issued a replacement title or effected the transfer of the title.

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

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

18 **"72-6-111. Nonprobate transfers on death.** (1) A provision for a nonprobate transfer on death in an
19 insurance policy, contract of employment, bond, mortgage, promissory note, certificated or uncertificated
20 security, account agreement, custodial agreement, deposit agreement, compensation plan, pension plan,
21 individual retirement plan, employee benefit plan, trust, conveyance, deed of gift, transfer on death deed, as
22 defined in 72-6-402, marital property agreement, beneficiary designation form, as provided in [section 1], or
23 other written instrument of a similar nature is nontestamentary. This subsection includes a written provision
24 that:

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

28 (b) money due or to become due under the instrument ceases to be payable in the event of death of

1 the promisee or the promisor before payment or demand; or
2 (c) any property controlled by or owned by the decedent before death that is the subject of the
3 instrument passes to a person the decedent designates either in the instrument or in a separate writing,
4 including a will, executed either before or at the same time as the instrument or later.

5 (2) This section does not limit rights of creditors under other laws of this state."
6

7 NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an
8 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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