HOUSE BILL 575

Introduced by O'Keefe, et al.

2/02	Introduced
2/02	Referred to Highways & Transportation
2/04	First Reading
2/04	Fiscal Note Requested
2/08	Fiscal Note Received
2/11	Fiscal Note Printed
3/07	Hearing
3/20	Tabled in Committee

Montana Legislative Council

HOUSE BILL NO. 575 1 INTRODUCED BY 2 BY REQUEST OF THE DEPARTMENT OF JUSTICE 3 HARP 4 A BILL FOR AN ACT ENTITLED: "AN ACT ASSIGNING TO THE MOTOR 5

VEHICLE DIVISION OF THE DEPARTMENT OF JUSTICE THOSE MOTOR 6 VEHICLE TITLING AND REGISTRATION DUTIES NOW PERFORMED BY THE 7 COUNTY TREASURERS; INCREASING TITLE AND LIEN FEES; CHANGING 8 RECORDS RETENTION REQUIREMENTS FOR THE DEPARTMENT; ADDING 9 REGISTRATION PERIODS: PROVIDING THAT TWO ADDITIONAL 10 THAT HAVE A VALUE ESTABLISHED BY THE REREGISTRATIONS 11 AUTOMATED MOTOR VEHICLE SYSTEM BE RENEWABLE ONLY BY MAIL; 12 CHANGING THE METHODS USED TO COMPUTE AND DISTRIBUTE MOTOR 13 VEHICLE TAXES; PROVIDING THAT CERTAIN FEES NOW COLLECTED BY 14 THE COUNTIES FOR THE PURPOSE OF PERFORMING TITLE AND 15 DUTIES BE DIRECTED TO THE GENERAL FUND; 16 REGISTRATION PROVIDING THAT CERTAIN MOTOR VEHICLE FEES AND TAXES NOW 17 COLLECTED BY THE COUNTIES BE COLLECTED BY THE MOTOR VEHICLE 18 DIVISION AND DISTRIBUTED TO THE COUNTIES; PROVIDING THE 19 DEPARTMENT A METHOD OF HIRING CERTAIN COUNTY EMPLOYEES 20 DURING THE TRANSITION; CLARIFYING THE HOURS, TIME OF 21 OPERATION, AND LOCATION OF MOTOR VEHICLE DIVISION OFFICES; 22 AMENDING SECTIONS 2-89-302, 2-89-303, 7-14-2511, 23-2-508, 23 23-2-509, 23-2-510, 23-2-611, 23-2-612, 23-2-613, 23-2-616, 24 23-2-803, 23-2-804, 23-2-809, 23-2-811, 23-2-812, 23-2-817, 25

61-3-101, 61-3-103, 61-3-201, 61-3-202, 61-3-203, 61-3-207, 1 2 61-3-303, 61-3-311, 61-3-314, 61-3-317, 61-3-321, 61-3-322, 61-3-331, 61-3-335, 61-3-342, 61-3-406, 61-3-431, 61-3-433, 3 61-3-467, 61-3-502, 61-3-503, 61-3-504, 61-3-508, 61-3-509, 4 61-3-510, 61-3-524, 61-3-525, 61-3-535, 61-3-701, 61-4-111, 5 6 61-4-112. 61-4-310, 61-6-302, 61-10-213, 61-10-225. 7 61-10-227, 61-10-233, AND 80-7-810, MCA; AND PROVIDING AN EFFECTIVE DATE." 8 g STATEMENT OF INTENT 10 11 A statement of intent is required for this bill because 12 it grants additional rulemaking authority to the department 13 of justice to create temporary rules to aid in the 14 transition to state registration and titling of motor 15 vehicles. 16 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 18 Section 1. Section 2+89-302, MCA, is amended to read: 19 "2-89-302. (Temporary) Commemorative centennial license 20 plates. (1) Notwithstanding the 4-year period provided for in 61-3-332(2), the department of justice may issue 21 commemorative centennial license plates for a different 22 23 period if requested by the Montana statehood centennial 24 office, at prices to be agreed upon by the department and 25 the office as provided in 2-89-303.

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1 (2) Commemorative license plates may be:

2 (a) collectors' license plates, intended to be
3 collectors' items only, distinctively marked or colored.
4 Such plates may be designated as not valid for the purpose
5 of licensing motor vehicles within the state; or

6 (b) special or limited duration license plates valid 7 for licensing motor vehicles in the state and carrying the 8 same general centennial design as regularly issued license 9 plates provided for in 2-89-301, except that they may differ 10 from such regular license plates by:

(i) color;

11

12 (ii) use of a distinctive series of registration numbers
13 or special prefixes or suffixes for the registration
14 numbers; and

(iii) by other details not distracting from legibilityor recognition of the license plate.

17 (3) (a) For all licenses sold before December 1, 1989, 18 proceeds from the sale of commemorative license plates, 19 after payment of the agreed price to the department, must be 20 used for centennial activities of the office as provided in 21 part 1 of this chapter. The proceeds for sales occurring 22 after November 30, 1989, must be deposited in the general 23 fund.

(b) A--county <u>The department of justice</u> shall assess an
 additional fee of \$3 for each set of commemorative

costs incurred by the county--treasurer: motor vehicle division, The--county--treasurer--shall-collect-the-fee-and which shall deposit the money in the county general fund. (c) The issuance of commemorative license plates must be made at no direct cost to the state. (4) Commemorative license plates that are valid for

centennial license plates issued in-the-county to defray the

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7 (4) Commemorative license plates that are valid for 8 licensing a motor vehicle must carry the assigned county 9 number, as established in 61-3-332, either within the 10 registration numbers or by means of an affixed nonremovable 11 sticker bearing the appropriate county designation and used 12 in accordance with instructions by the department. 13 (Terminates July 1, 1996--sec. 4, Ch. 654, L. 1989.)"

14 Section 2. Section 2-89-303, MCA, is amended to read:

15 "2-89-303. (Temporary) Administration. (1) The
16 department of justice may by rule establish application
17 procedures for the issuance of license plates authorized by .
18 this part. The rules may provide:

(a) for the issuance of regular license plates with a
centennial design to persons wishing to purchase such plates
to replace present plates;

(b) for the application for and issuance of
commemorative centennial license plates valid for licensing
motor vehicles, as authorized by 2-89-302;

25 (c) whether commemorative centennial license plates, if

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issued under 2-89-302, may be issued as personalized plates
 under the provisions of Title 61, chapter 3, part 4; and

3 (d) other procedures necessary for the proper4 administration of this part.

5 (2) (a) The Montana statehood centennial office may 6 request classes and variations of commemorative license 7 plates, and each type or variation may be issued for a 8 different price.

(b) For the issuance of commemorative license plates, 9 10 the office shall contract with and provide for payment to 11 the department for the production of such license plates. 12 The contract must establish prices to be paid by the 13 ultimate purchaser for the issuance of commemorative centennial license plates. The department of justice may 14 15 not, however, sell any commemorative license plates for less 16 than \$19.89, not including the county administrative fee 17 authorized in 2-89-302(3). (Terminates July 1, 1996--sec. 4, 18 Ch. 654, L. 1989.)"

19 Section 3. Section 7-14-2511, MCA, is amended to read: 20 "7-14-2511. Creation of county motor vehicle fund. When 21 collected--by remitted to the treasurer of the county in 22 which a motor vehicle is registered, all license and 23 registration fees for which there is no specific provision 24 as to disposition of the fee shall be credited to the county 25 motor vehicle fund."

1 Section 4. Section 23-2-616, MCA, is amended to read: 2 "23-2-616. Registration and decals -- application and issuance -- use of certain fees. (1) No A snowmobile may not 3 4 be operated on public lands by any person in Montana unless 5 it has been registered and there is displayed in a 6 conspicuous place on both sides of the cowl a decal as 7 visual proof that the fee in lieu of property tax has been 8 paid on it for the current year and the immediately previous 9 year as required by 15-16-202. 10 (2) Application for registration shall be made to--the 11 county---treasurer upon forms to be furnished by the 12 department of justice for this purpose, which may be 13 obtained at the--county--treasurer's any motor vehicle division office in-the-county-where-the-owner-resides. The 14 application shall contain the following information: 15 16 (a) name and address of the owner; 17 (b) certificate of ownership number; 18 make of the snowmobile; (c)(d) model name of the snowmobile; 19 20 (e) year of manufacture;

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21 (f) a statement evidencing payment of the fee in lieu

22 of property tax as required by 15-16-202; and

23 (g) such other information as the department of justice24 may require.

25 (3) The application shall be accompanied by a decal fee

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of \$2, a registration fee of 50 cents, and, if the 1 snowmobile has previously been registered, by the 2 registration certificate for the most recent year in which 3 the snowmobile was registered. The treasurer-shall-sign-the 4 application--and department of justice shall issue a 5 registration receipt which---shall---contain containing 6 information considered necessary by the department of 7 justice and a listing of fees paid. The owner shall retain 8 possession of the registration receipt until it is 9 surrendered to the county-treasurer department of justice 10 for reregistration or to a purchaser or subsequent owner 11 pursuant to a transfer of ownership. 12

13 (4) The county--treasurer--shall--forward--the--signed 14 application--to-the department of justice and shall issue to 15 the applicant a decal in-the-style-and-design-prescribed--by 16 the--department-of-justice-and of a different color than the 17 preceding year, numbered in sequence.

18 (5) The county-treasurer <u>department of justice</u> may not 19 accept any application under this section until the 20 applicant has paid the decal and registration fees and the 21 fee in lieu of property tax on the snowmobile for the 22 current year and the immediately previous year as required 23 by 15-16-202.

24 (6) All money collected from payment of the decal fees25 and all interest accruing from use of this money shall be

1 forwarded to the state treasurer and placed in the state 2 special revenue fund to the credit of the department, with 3 S1 designated for use in enforcing the purposes of 23-2-601through 23-2-644 and \$1 designated for use 4 in the 5 development. maintenance, and operation of snowmobile facilities. All money collected from payment 6 of the 7 registration fee shall be forwarded to the state treasurer 8 and deposited in the general fund.

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9 (7) The-county-treasurer-shall-credit-all All fees in 10 lieu of tax collected on snowmobiles <u>must be remitted</u> to the 11 county motor vehicle suspense fund provided for in 12 61-3-509."

Section 5. Section 23-2-803, MCA, is amended to read: 13 14 "23-2-803. Fee in lieu of tax on off-highway vehicles 15 -- exception -- disposition of fees. (1) There is a fee in 16 lieu of tax on off-highway vehicles, other than off-highway 17 vehicles constituting the inventory of a dealership licensed 18 under 23-2-818, to be paid to the department of justice and credited to the county-treasurer-of-the county in which the 19 20 owner of the off-highway vehicle resides. 21 (a) The fee for an off-highway vehicle less than 3

22 years old is \$19. In all other cases the fee is \$9.

(b) The age of an off-highway vehicle is determined by
subtracting the manufacturer's designated model year from
the current calendar year.

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1 (2) (a) Except as provided in subsection (2)(b), the county treasurer shall distribute all fees in lieu of tax 2 collected on off-highway vehicles pursuant to this section 3 in the relative proportions required by the levies for 4 state, county, school district, and municipal purposes in 5 6 the same manner as personal property taxes are distributed. 7 (b) The county treasurer shall remit \$1 of the fee in lieu of tax collected on an off-highway vehicle to the 8 department of agriculture for deposit in the noxious weed 9 management trust fund provided for in 80-7-811." 10

Section 6. Section 23-2-804, MCA, is amended to read: 11 "23-2-804. Decal required -- fee -- disposition. (1) 12 Except as provided in 23-2-B02, no an off-highway vehicle 13 may not be operated by any person for recreation on public 14 15 lands in Montana unless there is displayed in a conspicuous place a decal, in a form prescribed issued by the department 16 of justice and-issued-by-the--county--treasurer, as visual 17 proof that the following fees have been paid for the current 18 19 year:

20 (a) (i) the fee in lieu of tax provided for in
21 23-2-803; and

(ii) the registration fee provided for in 23-2-817; or
(b) when the vehicle will be used as provided in this
section, the registration and taxation fees for motorcycles
and quadricycles subject to licensure under 61-3-321, as

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1 evidenced by presentation of an owner's certificate of registration and payment receipt; and 2 (c) the off-highway decal fee provided for in this 3 section. 4 5 (2) The decal will must be serially numbered and have the expiration date of December 31 of the appropriate year 6 7 printed thereon. R (3) The off-highway decal fee is \$5, which the county treasurer department of justice shall collect and transmit 9 10 to the state treasurer, who shall deposit the money in an 11 interest-bearing account in the state special revenue fund 12 to the credit of the department of fish, wildlife, and 13 parks. The decal fee and the interest and income to the account must be spent as follows: 14 (a) 40% must be used to enforce the provisions of this 15 16 section; and 17 (b) 60% must be spent to develop and implement a 18 comprehensive program and to plan appropriate off-highway 19 vehicle recreation use except-that: 20 (i)--no-money-may--be--spent--for--this--purpose--before 21 January-17-1991;-and 22 (ii)-evaluation--for--development-of-a-program-plan-must 23 begin-January-17-1991." Section 7. Section 23-2-809, MCA, is amended to read: 24 25 "23-2-809, Duplicate decal. If a decal required in

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1 23-2-804 indicating that the off-highway vehicle fee has 2 been paid for the current year is lost, mutilated, or 3 becomes illegible, the person to whom it was issued shall 4 immediately apply for and obtain a duplicate decal upon 5 payment of a fee of \$5 to the county-treasurer department of 6 justice, who which shall distribute the fee as provided in 7 23-2-804(3)."

8 Section 8. Section 23-2-811, MCA, is amended to read:

9 "23-2-811. Certificate of ownership -- procedure --10 fee. (1) No An off-highway vehicle may not be operated upon 11 any public lands, trails, easements, lakes, rivers, or 12 streams unless a certificate of ownership has first been 13 obtained from the department of justice.

14 (2) The owner of an off-highway vehicle shall apply for
15 a certificate of ownership to-the-county--treasurer--of--the
16 county--in--which--the-owner-resides, on a form furnished by
17 the department of justice for that purpose. The form must
18 include:

19 (a) the name of the owner;

20 (b) the residence of the owner, by town and county;

21 (c) the business address or home mailing address of the 22 owner;

23 (d) the name and address of any lienholder;
24 (e) the amount due under any contract, mortgage, or
25 lien;

1 (f) the name of the manufacturer;

(g) the model number or name;

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(h) the identification number; and

4 (i) the name and address of the dealer or other person 5 from whom the off-highway vehicle was acquired.

6 (3) The application must be signed by at least one7 owner or by a properly authorized agent of the owner.

8 (4) The application for a new certificate of ownership 9 must be accompanied by the immediately previous certificate. 10 This subsection does not apply to off-highway vehicles that 11 are purchased as new and unused machines or that were 12 operated before January 1, 1990.

(5) (a) After the owner completes the application form, 13 14 the county--treasurer department of justice shall issue to 15 the applicant two copies of the completed application, with one marked "file copy"7-and-shall-forward-one-copy-and-the 16 original-application--to--the--department--of--justice. The 17 18 department of justice shall enter the information contained in the application upon the corresponding records of its 19 office and shall send the applicant a certificate of 20 21 ownership containing a permanent ownership number and 22 information from the application considered necessary by the department of justice. 23

(b) The certificate of ownership is not required to berenewed annually and is valid as long as the person holding

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1	it owns the off-highway vehicle.	1	(i) transfer of the endorsed certificate of ownership;
2	(6) The owner shall at all times retain possession of	2	(ii) registration of the off-highway vehicle; and
3	the certificate of ownership, except when it is being	3	(iii) issuance of a decal as required by 23-2-804.
4	transmitted to and from the department of justice for	4	(b) The county-treasurer-shall-forward-theapplication
5	endorsement or cancellation.	5	andthe-original-certificate-of-ownership-to-the department
6	(7) Upon application for a certificate of ownership, a	6	of justice7-which shall file the application upon receipt.
7	fee of \$4 <u>\$10</u> must be paid tothecountytreasurer,of	7	(c) A certificate of ownership may not be issued by the
8	which: to the department of justice and deposited in the	8	department until the outstanding certificates are
9	general fund.	9	surrendered to that office or their loss is established.
10	ta)\$3-must-be-forwarded-to-the-departmentofjustice	10	(d) Thecountytreasurer The department of justice
11	for-deposit-in-the-general-fund;-and	11	shall collect a fee of \$4 <u>\$10</u> for each application for
12	(b)\$1-must-be-retained-by-the-county-treasurer-for-the	12	transfer of ownership, of which: fee must be deposited in
13	cost-of-administering-this-section-"	13	the general fund.
14	Section 9. Section 23-2-812, MCA, is amended to read:	14	<pre>ti)\$3-must-be-forwarded-to-the-departmentofjustice</pre>
15	"23-2-812. Transfer of interest. (1) To transfer a	15	for-deposit-in-the-general-fund;-and
16	certificate of ownership for an off-highway vehicle	16	(ii)-\$i-must-be-retained-by-the-county-treasurer-for-the
17	registered under 23-2-817, the person whose title or	17	cost-of-administering-this-section-
18	interest is to be transferred shall endorse the certificate	18	(3) To effect by operation of law a transfer of
19	of ownership in the appropriate space on the reverse side of	19	interest in an off-highway vehicle, the provisions of
20	the certificate and have his signature acknowledged before a	20	61-3-201(3) are applicable.
21	notary public.	21	(4) (a) A person who purchases a new or used
22	(2) (a) Within 20 calendar days after the date of	22	off-highway vehicle from an off-highway vehicle dealer
23	notarization, the transferee shall apply to the county	23	licensed under 23-2-818 shall, within 20 calendar days after
24	treasurer-ofthecounty-in-which-he-resides department of	24	the purchase date, apply to the countytreasurerofthe
25	justice for:	25	county-in-which-he-resides department of justice for:

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1 (i) a certificate of ownership;

2 (ii) registration of the off-highway vehicle; and

3 (iii) a decal as required by 23-2-804.

4 (b) During this period the sticker provided for in 5 subsection (6) must remain affixed to the off-highway 6 vehicle.

7 (5) It is not a violation of this part for a purchaser
8 to operate a newly acquired off-highway vehicle without a
9 certificate of ownership, a certificate of registration, and
10 a decal during the first 20 days of ownership.

(6) Prior to the delivery of the off-highway vehicle to 11 the purchaser, the dealer shall issue and affix to the 12 off-highway vehicle a sticker, in a form to be prescribed by 13 14 the department of justice, containing the name and address of the purchaser, the date of sale, the name and address of 15 the dealer, and a description of the off-highway vehicle, 16 17 including its identification number. The dealer shall keep a 18 copy of the sticker for his records and shall send a copy of the sticker to the department of justice. 19

20 (7) The provisions of subsection (2) do not apply to 21 the transfer of an off-highway vehicle to an off-highway 22 vehicle dealer licensed under 23-2-818 who intends to resell 23 the vehicle and who operates it only for demonstration 24 purposes. Every dealer, upon a transfer of interest, shall 25 deliver the certificate of ownership with an application for

a new certificate executed by the new owner in accordance 1 2 with the provisions of this part. The department of justice, 3 upon receipt of the certificate of ownership and application 4 for a new certificate, together with the conditional sales 5 contract or other lien, if any, shall issue a new 6 certificate of ownership showing the name of the lienholder 7 and the amount due under the contract, mortgage, or lien as required by 23-2-811(2)(d) and (2)(e)." 8 q Section 10. Section 23-2-817, MCA, is amended to read:

10 "23-2-817. Registration fee -- application and issuance 11 -- disposition. (1) Each off-highway vehicle is subject to 12 an annual registration fee of \$2 \$5.

13 (2) The county-treasurer <u>department of justice</u> shall
14 collect the annual fee when the fee in lieu of tax is
15 collected.

16 (3) Application for registration must be made to--the

17 county--treasurer-of-the-county-in-which-the-owner-resides,

- 18 on a form furnished by the department of justice for that
- 19 purpose. The application must contain:
- 20 (a) the name and home mailing address of the owner;
- 21 (b) the certificate of ownership number;

22 (c) the name of the manufacturer of the off-highway23 vehicle;

24 (d) the model number or name;

25 (e) the year of manufacture;

(f) a statement evidencing payment of the fee in lieu
 of property tax; and

3 (g) such other information as the department of justice4 may require.

(4) If the off-highway vehicle was previously 5 registered, the application must be accompanied by the 6 7 registration certificate for the most recent year in which it was registered. Upon payment of the registration fee, the 8 county--treasurer--shall-sign-the-application-and department 9 of justice shall issue a registration receipt, which must 10 11 contain the information considered necessary by the department of justice and a listing of the fees paid. The 12 owner shall retain possession of the registration receipt 13 14 until it is surrendered to--the--county--treasurer for reregistration or to a purchaser or subsequent owner 15 pursuant to a transfer of ownership. 16

17 (5) All registration fees collected must be forwarded
 18 to--the--department--of-justice-and deposited in the general
 19 fund."

20 Section 11. Section 61-3-101, MCA, is amended to read: 21 "61-3-101. Duties of department -- records. (1) The 22 department shall keep a record as hereinafter specified of 23 all motor vehicles, trailers, and semitrailers of every 24 kind, and of certificates of registration and ownership 25 thereof, and of all manufacturers and dealers in motor LC 0438/01

1	vehicles.
2	(2) Inthecaseofmotorvehicles7trailers7and
3	semitrailers7-the The record shall must show the following:
4	(a) name of owner, residence address by street or rural
5	route, town, and county, and businessaddress mailing
6	address if different than residence address;
7	(b) name and address of conditional sales vendor,
8	mortgagee, or other lienholder and amount due under contract
9	or lien;
10	(C) manufacturer of car;
11	(d) manufacturer's designation of style of car or
12	vehicle;
13	<pre>(e) identifying number;</pre>
14	(f) year of manufacture;
15	(g) character of motive power and shipping weight of
16	car as shown by the manufacturer;
17	(h) the distinctive license number assigned to the
18	vehicle;
19	(i) if a truck or trailer, the number of tons' capacity
20	or GVW if imprinted on manufacturer's identification plate;
21	(j) such other information as may from time to time be
22	found desirable.
23	(3) The department shall file applications for
24	registration received by it from-the-county-treasurers-of

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the-state and register the vehicles therein--described and

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1 the <u>vehicle</u> owners thereof in-suitable-books-or-on-index
2 cards7 as follows:

3 (a) under the distinctive license number assigned to
 4 the vehicle by-the-county-treasurer;

5 (b) alphabetically under the name of the owner;

6 (c) numerically under make and identifying number of7 the vehicle;

8 (d) such other index of registration as the department9 considers expedient.

10 (4) Vehicle registration records and indexes and 11 driver's license records and indexes may be maintained by 12 electronic recording and storage media.

13 (5) In the case of dealers, the records shall show the 14 information contained in the application for dealer's 15 license as required by 61-4-101 through 61-4-105, as well as 16 the distinctive license number assigned to the dealer.

17 (6) In order to prevent an accumulation of unneeded 18 records and files, regardless of any other statutory 19 requirements, the department shall-have-the-authority-and-it 20 shall-be-its-duty-to may destroy all records and files which 21 have-ceased-to-be-of-any-value that relate to vehicles that 22 have not been registered within the preceding 4 years and 23 that do not have an active lien.

24 (7)--The---department---may--establish--and--maintain--a
 25 short-wave-radio-station-in-order-to--report--mutor--vehicle

registration-information-to-the-highway-patrol;-to-sheriffs; and-to-the-chiefs-of-police-of-each-incorporated-city-of-the state-who-are-able-to-communicate-with-such-short-wave-radio station; (8)(7) All records shall be open to inspection during

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5 (8)(7) All records shall be open to inspection during 6 all reasonable business hours, and the department shall 7 furnish any information from the records upon payment by the 8 applicant of the cost of transcribing the information 9 requested. Prior to providing the information, the 10 department may require the applicant to provide 11 identification."

12 Section 12. Section 61-3-103, MCA, is amended to read: 13 "61-3-103. Filing of security interests, rights, 14 procedure, fees. (1) No A security interest in a motor 15 vehicle shall--be is not valid as against creditors, 16 subsequent purchasers, or encumbrancers unless a lien 17 notice, on a form approved by the department, that shows a 18 security interest has been created, has been filed with the 19 department as provided in this section. The department shall may not file any security interest or other lien unless it 20 21 is accompanied by or specified in the application for a 22 certificate of ownership of the vehicle encumbered. If the 23 approved notice form is transmitted to the department, the 24 security agreement or other lien instrument that creates the 25 security interest must be retained by the secured party, A

copy of the security agreement is sufficient as a lien 1 notice if it contains the name and address of the debtor and 2 the secured party, the complete vehicle description, amount 3 of lien, and is signed by the debtor. The department shall 4 file the security interest or lien by entering the name and 5 address of the secured party in its automated records system 6 and upon the face of the certificate of ownership. The 7 department shall mail a statement certifying to the filing 8 of a security interest or lien to the secured party. The 9 department shall mail the certificate of ownership to the 10 owner at the address given on the certificate; however, if 11 the transfer of ownership and filing of the security 12 interest are paid for by a creditor or secured party, the 13 department shall return the certificate of ownership to the 14 county--treasurer motor vehicle division office where the 15 vehicle is to be registered. The owner of a motor vehicle is 16 the person entitled to operate and possess such motor 17 vehicle. 18

(2) A security interest in a motor vehicle held as
inventory by a dealer licensed under the provisions of
61-4-101, must be perfected in accordance with Title 30,
chapter 9, and no endorsement on the certificate of title is
necessary for perfection.

(3) Whenever a security interest or lien is filed
against a motor vehicle that is subject to two security

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interests previously perfected by filing under this section, the department shall endorse the following on the face of the certificate of ownership; "NOTFEE. This motor vehicle is subject to additional security interests on file with the Department of Justice." No other information regarding such additional security interests need be endorsed on the certificate.

8 (4) Satisfactions or statements of release filed with
9 the department under this chapter shall be retained by it
10 for a period of 8 4 years after receipt, after which they
11 may be destroyed.

12 (5) The filing of a security interest or other lien, as 13 herein provided, perfects a security interest which has 14 attached at the time the certificate-of-ownership noting 15 such-interest-is-issued application is accepted and entered 16 in the department's automated records system. Issuance of a 17 certificate of ownership constitutes constructive notice to subsequent purchasers or encumbrancers, from the time of 18 19 filing, of the existence of the security interest.

(6) Upon default under a chattel mortgage or conditional sales contract covering a motor vehicle, the mortgagee or vendor has the same remedies as in the case of other personal property. In case of attachment of motor vehicles all the provisions of 27-18-413, 27-18-414, and 27-18-804 shall be applicable except that deposits must be

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1 made with the department.

2 (7) A conditional sales vendor or chattel mortgagee or 3 assignee who fails to file a satisfaction of a chattel 4 mortgage, assignment, or conditional sales contract within 5 15 days after receiving final payment shall be required to 6 pay the department the sum of \$1 for each day thereafter 7 that he fails to file such satisfaction.

8 (8) Upon receipt of any liens, or notice of liens dependent on possession, or attachments, etc., against the 9 record of any motor vehicle registered in this state, the 10 department shall within 24 hours mail to the owner, 11 12 conditional sale vendor, mortgagees, or assignees of any 13 thereof a notice showing the name and address of the lien claimant, amount of the lien, date of execution of lien, and 14 in the case of attachment the full title of the court and 15 the action and the name of the attorneys for the plaintiff 16 17 and/or attaching creditor.

18 (9) It shall is not be necessary to refile with the 19 department any instruments on file in the offices of the 20 county clerk and recorders at the time this law takes 21 effect.

(10) A fee of \$4 \$10 must be paid to the department to file any security interest or other lien against a motor vehicle. The \$4 \$10 fee shall include and cover the cost of filing a satisfaction or release of the security interest LC 0438/01

1 and also the cost of entering such satisfaction or release records of the department and deleting the 2 on the endorsement of the security interest from the face of the 3 4 certificate of ownership. A fee of \$4 \$10 must be paid the S department for issuing a certified copy of a certificate of 6 ownership subject to a security interest or other lien on file in the office of the department, or for filing an 7 assignment of any security interest or other lien on file 8 with the department. All fees provided for in this section 9 10 must be paid to the county-treasurer department for deposit 11 in the state general fund in-accordance-with-15-1-504."

12 Section 13. Section 61-3-201, MCA, is amended to read: "61-3-201. Transfer of interest -- cancellation of 13 14 erroneous certificate of ownership or registration. (1) Upon a transfer of any interest in a motor vehicle registered 15 under the provisions of this chapter, the person whose 16 interest is to be transferred shall write his signature with 17 18 per and ink upon the certificate of ownership issued for the 19 vehicle in the appropriate space provided upon the reverse side of the certificate, and the signature must be 20 acknowledged before the county treasurer, -- a--deputy -- county 21 22 treasurer, an elected official authorized to acknowledge signatures, an employee of the department, or a notary 23 24 public.

25 (2) Within 20 calendar days after endorsement, the

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transferee shall forward both the endorsed certificate of 1 ownership with the odometer mileage statement required under 2 61-3-206 and the certificate of registration, together with 3 the information required under 61-3-202, to the county 4 5 treasurer---who--shall--forward--them-to-the department. The department may not issue a certificate of ownership or 6 of registration until the outstanding certificate 7 certificates are surrendered to that office or their loss is 8 9 established to its reasonable satisfaction. Failure to make application within the 20-day grace period subjects the 10 transferee to a penalty of \$10. The county--treasurer 11 department shall collect the penalty at the time of 12 registration. The penalty is in addition to the fees 13 otherwise provided by law. If the transferee does not make 14 application within 25 days, a creditor or secured party may 15 pay the fees for the transfer of title and filing of 16 security interest or lien in order to have title transferred 17 to the transferee and have the security interest or lien 18 filed. The creditor or secured party is not liable for the 19 penalty, registration fees, or taxes. The department shall 20 return the certificate of title to the county-treasurer 21 motor vehicle division office as provided in 61-3-103(1). 22 When the certificate of ownership is returned by the 23 department to the county-treasurer motor vehicle division 24 office, that office the-treasurer shall hold the certificate 25

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1 of ownership until the vehicle is properly registered.

(3) In the event of a transfer by operation of law of 2 3 any interest in a motor vehicle as upon inheritance, devise, or bequest, order in bankruptcy or insolvency, execution 4 5 sale, repossession upon default in the performance of the 6 terms of a lease or executory sales contract, or otherwise than by voluntary act of the person whose title or interest 7 8 transferred, the executor, administrator, receiver, is 9 trustee, sheriff, or other representative or successor in 10 interest of the person whose interest is transferred shall 11 forward to the department an application for a certificate 12 ownership in the form required for an original of 13 application for a certificate of ownership, together with a 14 verified or certified statement of the transfer of interest. 15 The statement must set forth the reason for the involuntary 16 transfer, the interest transferred, the name of the person 17 to whom the interest is to be transferred, the process of 18 procedure effecting the transfer, and other information 19 requested by the department. Evidence and instruments 20 otherwise required by law to effect a transfer of legal or 21 equitable title to or an interest in chattels as may be 22 required in such cases must be furnished with the statement. 23 If the department is satisfied that the transfer is regular 24 and that all formalities required by law have been complied 25 with, it shall send to the owner, conditional sales vendor,

lessor, mortgagee, and other lienor, as shown by its 1 records, notice of the intended transfer and, not less than 2 5 days after sending notice, shall issue a new certificate 3 4 of ownership and certificate of registration to the transferee. The notice required by this section is complied 5 with by deposit in the post-office-in-Beer-Bodger-Montana, ő U.S. mail of the notice, postage prepaid, addressed to the 7 8 person at the respective address shown on its records.

(4) When the vehicle certificate of ownership that is 9 involuntarily transferred is not registered in this state, 10 the procedure in subsection (3) must be followed in applying 11 for a new certificate of ownership and certificate of 12 registration but the department need not send notice of 13 intended transfer and shall issue a new certificate of 14 ownership and a new certificate of registration to the 15 16 person entitled to them.

(5) (a) If the owner of one or more motor vehicles, 17 trailers, semitrailers, or housetrailers registered under 18 this chapter and not exceeding a combined value of \$15,000 19 dies without leaving other property necessitating the 20 procuring of letters of administration or letters 21 testamentary, the surviving spouse or other heir unless the 22 property is by will otherwise bequeathed may secure transfer 23 of the decedent's certificate of ownership and the 24 certificate of registration for the vehicle. 25

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1 (b) The person seeking transfer of the certificate of 2 ownership shall file an affidavit with the department 3 setting forth the fact of survivorship and the name and 4 address of any other heirs and other facts as are necessary 5 under subsection (5)(a) to entitle the affiant to a 6 transfer.

7 (c) The department is authorized to transfer the 8 certificate of ownership and certificate of registration, 9 subject to all security interests shown by its records, upon 10 receipt of an affidavit showing that the affiant is entitled 11 to a transfer under the provisions of subsection (5)(a) of 12 this section.

13 (6) Nothing in subsection (5) prevents any secured 14 party from assigning his interest in a motor vehicle 15 registered under the provisions of this chapter to any other 16 person without the consent of and without affecting the 17 interest of the holder of the certificate of ownership and 18 certificate of registration. Upon any assignment by a 19 secured party of his security interest in any motor vehicle 20 registered under this chapter, a copy of the assignment must 21 be filed with the department and a record of the assignment 22 made upon its records.

23 (7) The certificate of ownership is valid until
24 canceled by the department upon a transfer of any interest
25 shown in the certificate, and annual renewal is not needed.

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(B) (a) Upon its determination that a certificate of 1 2 ownership or a registration receipt contains an error caused by-the-department, the department may cancel the certificate 3 of ownership or receipt and issue a replacement for the 4 erroneous certificate or receipt if the owner has returned 5 6 the certificate or receipt to be canceled. If the owner 7 fails to return to the department the certificate of ownership or the registration receipt, the department shall 8 9 direct a peace officer or department employee to secure and 10 return the certificate or receipt to the department. 11 (b) Any person who fails to return a certificate of 12 ownership or registration receipt issued-with containing an error caused-by-the-department after receiving actual notice 13 14 of the department's demand for the return of the certificate or receipt as required by subsection (8)(a) is guilty of a 15 16 misdemeanor and upon conviction may be fined an amount not

18 Section 14. Section 61-3-202, MCA, is amended to read: 19 "61-3-202, Certificate of ownership -- issuance --20 contents -- joint ownership. (1) Upon completion of the application for certificate of ownership, on forms furnished 21 22 by the department, the-county-treasurer-shall-forward-one copy-of-the-application-to the department7-which shall enter 23 the information contained in the application upon the 24 corresponding records of its office and, except as provided 25

to exceed \$500."

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1	in 61-3-103(1) and 61-3-201(2) concerning applications by
2	creditors or secured parties, shall furnish the applicant a
3	certificate of ownership subject to the provisions of
4	61-3-103.
5	(2) The certificate of ownership shall contain upon the
6	face thereof:
7	(a) the date issued;
8	(b) the name and complete mailing and residence address
9	or addresses of the owner or the names and addresses of
10	joint owners;
11	(c) except as provided in 61-3-103, the name and
12	complete address of any holder of a perfected security
13	interest in the registered vehicle;
14	(d) a description of the registered vehicle, including
15	the year built and serial number;
16	(e) except as provided in 61-3-103, the filing date of
17	any lien against such motor vehicle; and
18	(f) such other statement of facts as may be determined
19	by the department.
20	(3) When the names and addresses of more than one owner
21	who are members of the same immediate family are listed on
22	the certificate of ownership, joint ownership with right of
23	survivorship, and not as tenants in common, is presumed.
24	(4)Bpon-receipt-oftheapplicationthedepartment
25	shallrecheck-the-applicationIf-there-is-any-error-in-the

1 application-it-may-be-returned-to-the--county--treasurer--to
2 effectively--secure--the-correction-of-such-error;-who-shall
3 return-the-same-to-the-department;

4 (5)(4) The certificate of ownership shall contain a 5 notice to the department of a transfer of interest of the 6 owner and such other statements as may be determined by the 7 department."

8 Section 15. Section 61-3-203, MCA, is amended to read:
9 "61-3-203. Fee for original certificate of ownership
10 and transfer of registration -- disposition. A charge of \$5
11 must be made for issuance of an original certificate of
12 ownership of title and for a transfer of registration which
13 must be collected by the county-treasurer department. The
14 fees must be distributed as follows:

(1) \$3:50--of--each--fee--must--be--remitted---to---the 15 16 department-by-the-county-treasurer7-as-provided-in-15-1-5047 17 for--each--application-for-original-certificate-of-ownership 18 or-transfer-of-registration. The fees collected must be 19 retained by the department and deposited in the general 20 fund, except that \$1.50 of the original motor vehicle fee 21 must be forwarded to the county treasurer of the county in 22 which the vehicle is registered.

23 (2) Each March the county commissioners of each county
24 shall divide the fees retained-by remitted to the county to:
25 (a) the city road fund of each city and town within the

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county based on the number of motor vehicles registered
 inside the corporate limits of each city or town: and

3 (b) the county road fund based on the number of motor
4 vehicles registered outside the corporate limits of cities
5 and towns."

б Section 16. Section 61-3-207, MCA, is amended to read: 7 *61-3-207. Mobile home or housetrailer -- transfer of 8 interest. (1) Upon a transfer of any interest in a mobile 9 home or housetrailer under the provisions of this chapter. 10 the application for the transfer shall must be made through 11 the county-treasurer's motor vehicle division office in the 12 county in which the mobile home or housetrailer is located 13 at the time of the transfer or in the nearest motor vehicle 14 division office.

15 (2) When a mobile home or housetrailer is sold under contract or under such conditions that title is not 16 17 immediately conveyed, the parties to the transaction shall 18 immediately file with the county clerk and recorder a notice 19 of intention to transfer title. The notice must indicate the 20 name of the party who is thereafter responsible for payment 21 of taxes upon the mobile home or housetrailer. The clerk and 22 recorder shall immediately notify the county assessor of the 23 information in the notice. The penalty provisions of 24 61-3-201(2) do not apply if the notice of intent to transfer 25 is filed with the county clerk and recorder within 20 days

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1	after the transfer."	1
2	Section 17. Section 61-3-303, MCA, is amended to read:	2
3	"61-3-303. Application for registration. (1) Every	3
4	owner of a motor vehicle operated or driven upon the public	4
5	highways of this state shall for each motor vehicle owned,	5
6	except as herein otherwise expressly provided in this	6
7	section, file or cause to be filed in-the-office-of-the	7
8	councytreasurerwheretheownermakeshispermanent	8
9	residence-at-the-time-of-making-the-application-or,ifthe	9
10	vehicleisownedbyacorporation-or-used-primarily-for	10
11	commercial-purposes;-~inthetaxingjurisdictionofthe	11
12	countywherethevehicleispermanentlyassigned; an	12
13	application for registration or reregistration upon a blank	13
14	form to be prepared and furnished by the department. The	14
15	application shall contain:	15
16	(a) name and address of owner, giving county, school	16
17	district, and town or city within whose corporate limits the	17
18	motor vehicle is taxable, if taxable, or within whose	18
19	corporate limits the owner's residence is located if the	19
20	motor vehicle is not taxable;	20
21	(b) nome and address of the helder of any security	21

21 (b) name and address of the holder of any security 22 interest in the motor vehicle;

23 (c) description of motor vehicle, including make, year 24 model, engine or serial number, manufacturer's model or 25 letter, gross weight, type of body, and if truck, the rated

capacity; and 1 (d)--in--case--of-reregistration-the-license-number-for

3	the-preceding-year; and
4	<pre>(d) such other information as the department may</pre>
5	require.
6	(2) A person who files an application for registration
7	or reregistration of a motor vehicle, except of a mobile
8	home as defined in 15-1-101(1), shall upon the filing of the
9	application pay to the county-treasurer department:
10	(a) the registration fee, as provided in 61-3-311 and
11	61-3-321; and
12	(b) unless it has been previously paid:
13	(i) the personal property taxes assessed against the
14	vehicle for the current year of registration and the
15	immediately previous year; or
16	(ii) the new motor vehicle sales tax against the vehicle
17	for the current year of registration.
18	(3) The application may not be accepted by the county
19	treasurer department unless the payments required by
20	subsection (2) accompany the application. The department or
21	its agent may not assess and the-countytreasurer may not
22	collect taxes or fees for a period other than:
23	(a) the current year; and
24	(b) the immediately previous year, if the vehicle was

not registered or operated on the highways of the state, 25

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regardless of the period of time since the vehicle was 1 2 previously registered or operated. 3 (4) (a) Upon its determination that a registration 4 receipt contains an error, the department may cancel the 5 registration receipt, demand the return of the erroneous 6 receipt, and issue a replacement for the erroneous receipt. 7 If the owner fails to return the registration receipt to the 8 department, the department shall direct a peace officer or 9 department employee to secure and return the receipt to the 10 department. 11 (b) A person who fails to return a registration receipt containing an error after receiving actual notice of the 12 13 department's demand for its return as required by subsection (4)(a) is guilty of a misdemeanor and upon conviction may be 14 15 fined an amount not to exceed \$500. 16 (4)(5) The department or its agent may make full and 17 complete investigation of the tax status of the vehicle. Any 18 applicant for registration or reregistration must submit 19 proof from the tax or other appropriate records of the 20 proper county at the request of the department or its 21 agent." 22 Section 18. Section 61-3-311, MCA, is amended to read: "61-3-311. Time for making application. Registration 23 must be renewed annually and license fees paid annually. 24

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1	61-3-526, all registrations expire on December 31 of the
2	year in which they are issued and application for
3	registration, or reregistration, must be filed with the
4	county-treasurer department not later than February 15 of
5	each year. If the ownership of a motor vehicle is
6	transferred during the registration year, the motor vehicle
7	must be reregistered and relicensed as provided by statute."
8	Section 19. Section 61-3-314, MCA, is amended to read:
9	"61-3-314. Registration period. (1) Notwithstanding-any
10	other-provisions-of-this-title-regarding-the-registration-of
11	motor-vehicles;-commencing-January-1;-1976;-all <u>All</u> vehicles
12	subject to the provisions of 61-3-313 through 61-3-316 shall
13	be registered for 12-month periods based upon the time they
14	are first registered in this state pursuant to 61-3-313
15	through 61-3-316.
16	(2) There shall be ten <u>12</u> registration periods, each of
17	which shall commence on the first day of a calendar month.
18	The periods are designated as follows:
19	(a) January 1 through January 31 lst period
20	(b) February 1 through February 28/29 2nd period
21	(c) March 1 through March 31 3rd period
22	(d) April 1 through April 30 4th period
23	(e) May 1 through May 31 5th period
24	(f) June 1 through June 30 6th period
25	(g) July 1 through July 31 7th period

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Except as provided in 61-3-313 through 61-3-316 and

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1	(h) August 1 through August 31	8th period
2	(i) September 1 through September 30	9th period
3	(j) October 1 through October 31	10th period
4	(k) November 1 through November 30	llth period
5	(1) December 1 through December 31	12th period
6	(3) Por-purposesof61-3-313through6	1-3-3167the
7	periodNovember1through-November-30-shall-	be-considered
8	the-10th-period-preceding-and-the-period-Becemb	er-lthrough
9	Becember-31-shall-be-considered-the-first-perio	d-of-the-year
10	following. For the purpose of equalizing rec	listrations in
11	the periods designated in subsections (2)(k) ar	nd (2)(1), the
12	department shall establish rules to trans	fer certain
13	registrations now assigned to the periods	designated in
14	subsections (2)(j) and (2)(a) into the periods	designated in
15	subsections (2)(k) and (2)(1)."	
16	Section 20. Section 61-3-317, MCA, is amer	ided to read:

17 "61-3-317. New registration required for transferred 18 vehicle -- grace period -- penalty -- display of proof of 19 purchase. Except as otherwise provided herein, the new owner 20 of a transferred motor vehicle shall have a grace period of 21 20 calendar days from the date of purchase to make 22 application and pay the taxes or fees, or both, provided by 23 part 5 of this chapter, unless the tax or fee has been paid 24 for the year, as if the vehicle were being registered for 25 the first time in that registration year. If the motor

1 vehicle was not purchased from a duly licensed motor vehicle 2 dealer as provided in this chapter, it is not a violation of 3 this chapter or any other law for the purchaser to operate 4 the vehicle upon the streets and highways of this state without a certificate of registration during the 20-day 5 period, provided that at all times during that period a 6 7 vehicle purchase sticker in a form prescribed and furnished by the department, obtained from the county treasurer, the 8 9 department, or a law enforcement officer as authorized by 10 the department, reciting the date of purchase is clearly 11 displayed in the rear window of the motor vehicle. Registration and license fees collected under 61-3-321 are 12 not required to be paid when a license plate is transferred 13 under this section and 61-3-335. Failure to make application 14 15 within the time provided herein subjects the purchaser to a 16 penalty of \$10. The penalty shall must be collected by the 17 county--treasurer department at the time of registration and shall-be is in addition to the fees otherwise provided by 18 19 law."

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20 Section 21. Section 61-3-321, MCA, is amended to read: 21 "61-3-321. Registration fees of vehicles _ public-owned vehicles exempt from license or registration 22 fees -- disposition of fees. (1) Registration or license 23 fees must be paid upon registration or reregistration of 24 motor vehicles, trailers, housetrailers, and semitrailers, 25

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in accordance with this chapter, as follows: 2 (a) motor vehicles weighing 2,850 pounds or under

3 (other than motortrucks), \$5;

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(b) motor vehicles weighing over 2,850 pounds (other 4 5 than motortrucks), \$10;

(c) electrically driven passenger vehicles, \$10; 6

7 (d) all motorcycles and quadricycles, \$2;

(e) tractors and/or trucks, \$10; 8

9 (f) buses are classed as motortrucks and licensed accordingly; 10

(g) trailers and semitrailers less than 2,500 pounds 11 12 maximum gross loaded weight and housetrailers of all 13 weights, \$2;

(h) trailers and semitrailers over 2,500 up to 6,000 14 15 pounds maximum gross loaded weight (except housetrailers), 16 \$5;

(i) trailers and semitrailers over 6,000 pounds maximum 17 gross loaded weight, \$10; 18

(j) trailers used exclusively in the transportation of 19 20 logs in the forest or in the transportation of oil and gas well machinery, road machinery, or bridge materials, new and 21 22 secondhand, \$15 annually, regardless of size or capacity.

(2) All rates are 25% higher for motor vehicles, 23 24 trailers, and semitrailers not equipped with pneumatic 25 tires.

1 (3) "Tractor", as specified in this section, means any 2 motor vehicle, except passenger cars, used for towing a 3 trailer or semitrailer.

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(4) If any motor vehicle, housetrailer, trailer, or 4 5 semitrailer is originally registered 6 months after the time of registration as set by law, the registration or license 6 7 fee for the remainder of the year is one-half of the regular 8 fee.

9 (5) An additional fee of \$5.25 per year for each 10 registration of a vehicle must be collected as a 11 registration fee. Revenue from this fee must be forwarded by 12 the respective-county-treasurers department to the state 13 treasurer for deposit in the general fund. The department of 14 justice shall distribute 25 cents from each fee collected to 15 the highway patrol retirement fund.

16 (6) A fee of \$2 for each set of new number plates must 17 be collected when number plates provided for under 18 61-3-332(3) are issued. Revenue from this fee must be 19 deposited as provided in subsection (5).

20 (7) The provisions of this part with respect to the 21 payment of registration fees do not apply to and are not 22 binding upon motor vehicles, trailers or semitrailers, or 23 tractors owned or controlled by the United States of America 24 or any state, county, or city.

25 (8) The provisions of this section relating to the

1 payment of registration fees or new number plate fees do not 2 apply when number plates are transferred to a replacement 3 vehicle under 61-3-317, 61-3-332, or 61-3-335."

Section 22. Section 61-3-322, MCA, is amended to read: 4 5 *61-3-322. Certificates of registration -- issuance. 6 (1) Upon completion of the application for registration, on 7 forms--furnished--by--the--department,--the-county-treasurer shall-file-one-copy-in-his-office-and-issue-to the applicant 8 9 must be issued two copies of the application marked "Owner's Certificate of Registration and Payment Receipt", one of 10 11 which shall be marked "file copy".

12 (2) The certificate of registration shall contain upon13 the face thereof the information described in 61-3-202(2).

(3) Every owner, upon receiving a registration receipt, 14 15 shall write his signature on the receipt with pen and ink in 16 the space provided. The registration receipt, a--photostatic 17 copy--of-the-receipt-acknowledged-by-the-county-treasurer-or 18 a-deputy-county-treasurer, a notarized photostatic copy, or 19 a duplicate furnished by the department shall at all times 20 be carried in the vehicle to which it refers or shall be 21 carried by the person driving or in control of the vehicle, 22 who shall display it upon demand of a police officer or any 23 officer or employee of the department or the highway 24 department.

25 (4)--The--county--treasurer--shall--daily-forward-to-the

1 department-one-copy-of--all--applications--for--registration 2 received-that-day-3 f5}--It--is--not--necessary--for-the-county-treasurer-to segregate-the-amount-of-taxes-or--fees--for--state7--County7 4 5 school-district;-and-municipal-purposes-in-the-receipt-" Section 23. Section 61-3-331, MCA, is amended to read: 6 7 "61-3-331. Assignment of number plates. The county treasurer department shall, at the time of issuing a 8 registration receipt under 61-3-322, assign such the motor 9 10 vehicle a distinctive number --- viz---- the license plate 11 number, and deliver to the applicant two license plates, --as 12 received--from-the-departmenty-which-shall-bear-such bearing 13 the distinctive numbers. The--department--shall--ship--said 14 license--plates-to-the-various-county-treasurers-by-freight, 15 so-that-they-will-be-received-by-the-county-treasurer-on--or 16 before-January-1-of-each-year-" 17 Section 24. Section 61-3-335, MCA, is amended to read:

18 "61-3-335. Transfer of license plates to another motor 19 vehicle. (1) Should the transferor make application for the 20 registration of another motor vehicle at any time during the 21 remainder of the current registration year as shown on the 22 original certificate of registration, he may file an 2.3 application in-the-office-of-the-county-treasurer-where-the 24 meter-vehicle-is-registered, upon a form to-be prepared and 25 furnished by the department, accompanied by the original

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1 certificate of registration, for the transfer of the license plates. The application for transfer of the license plates 2 3 from the motor vehicle for which originally issued to a motor vehicle acquired by the same person in whose name the 4 5 original license plates were issued shall must be made within 20 days from date of acquiring the vehicle. The use 6 7 of the license plates shall may not be legalized until 8 proper transfer of license plates has been made.

9 (2) License plates may be transferred pursuant to this 10 section without transferring ownership of the first vehicle. (3) Upon transfer of the license plates, the 11 12 registration of the motor vehicle from which the license 13 plates were transferred expires. The certificate of 14 registration for such the vehicle must be surrendered to the 15 county--treasurer department with the application for 16 transfer."

17 Section 25. Section 61-3-342, MCA, is amended to read: 18 "61-3-342. Temporary window sticker -- fee. Any 19 purchaser of a motor vehicle who is unable to obtain license plates from-the--county--treasurer at the time he makes 20 21 application for registration or reregistration of the 22 vehicle because the certificate of ownership is lost, in the 23 possession of third parties, or in the process of reissuance 24 in this state or elsewhere may, upon making affidavit to 25 that effect upon a form prescribed by the department and

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upon the payment of a the applicable fees and taxes plus an 1 2 additional fee of \$2, to--be--collected--by--the--county 3 treasurer--and--remitted--to-the-department--obtain-from-the 4 county-treasurer-of-the-county-in-which-the-vehicle-is-to-be 5 registered obtain a temporary window sticker that is of such a size, color, and design as prescribed by the department 6 7 may--prescribe7--to-be-validated-by-the-county-treasurer and that is valid for a period of 60 days from the date of 8 issuance. The purchaser, upon displaying the sticker on the 9 10 upper left-hand corner of the rear window of the motor 11 vehicle, may operate the vehicle during the period for which 12 the window sticker has--been--validated is valid without 13 displaying the registration certificate or number plates or 14 plate for the current year. The county-treasurer department 15 may not sell; and no a person may not purchase; more than 16 one 60-day temporary window sticker for any vehicle, if the 17 ownership of-which has not changed since the issuance of the 18 previous 60-day window sticker." 19 Section 26. Section 61-3-406, MCA, is amended to read: 20 "61-3-406. Fees for personalized plates -- disposition.

(1) In addition to all other fees and taxes imposed by law,
the applicant for a personalized license plate shall pay a
fee of \$25 for the original personalized license plate and a
fee of \$10 for each transfer or renewal thereof.

25

(2) The revenue derived from the fee-as-provided-herein

2 follows: in the state general fund.
3 (a)--\$5-of-the-application-fee-and-\$5-of-the-transfer-or
4 renewal-fee-in-the-county-general-fund;-and
5 (b)--\$20-of-the-application-fee-and-\$5-of--the--transfer

fees provided in subsection (1) must be deposited as

6 or-renewal-fee-in-the-state-general-fund;"

1

Section 27. Section 61-3-431, MCA, is amended to read: 7 8 "61-3-431. Special mobile equipment -- exemption from 9 registration and payment of fees and charges --10 identification plate -- publicly owned special mobile equipment. (1) A person, firm, partnership, or corporation 11 12 who owns, leases, or rents special mobile equipment as 13 defined in 61-1-104 and occasionally moves that equipment 14 on, over, or across the highways of the state is not subject to registration of that equipment or required to pay the 15 fees and charges provided for in 61-3-502, 61-4-301 through 16 17 61-4-308, or part 2 of chapter 10. Prior to movement on the 18 highways, however, each piece of equipment shall display an 19 equipment identification plate or a dealer's license plate 20 attached to the equipment.

(2) Annual application for the identification plate
shall must be made to the county treasurer before any piece
of equipment is moved on the highways. Application shall be
made on a form furnished by the department of-justice,
together with the payment of a fee of \$5. The equipment for

which a special mobile equipment plate is sought is subject 1 2 to the assessment of personal property taxes on the date 3 application is made for the plate. The personal property taxes assessed against the special mobile equipment must be 4 paid before the issuance of a special mobile equipment plate 5 6 that the department shall furnish to the county. The fees 7 collected under this section belong to the county road fund. 8 (3) The identification plate expires on December 31 of 9 each year. If the expired identification plate is displayed, 10 an owner of special mobile equipment registered under the 11 provisions of this section is entitled to operate the 12 equipment between January 1 and February 15 following 13 expiration without displaying the identification plate or 14 receipt of the current year. 15

15 (4) Publicly owned special mobile equipment and 16 implements of husbandry used exclusively by an owner in the 17 conduct of his own farming operations are exempt from this 18 section."

19 Section 28. Section 61-3-433, MCA, is amended to read:

20 "61-3-433. Issuance of identification plate and receipt
21 -- contents. The county-treasurer department shall issue to
22 an applicant for an equipment identification plate a single
23 metal plate with a distinguishing number and a receipt for
24 the fee collected, which receipt shall must contain the name
25 and address of the applicant, the number of the plate

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1 issued, the serial number of the equipment, and a brief 2 description of that equipment."

3 Section 29. Section 61-3-467, MCA, is amended to read:
4 "61-3-467. Authorization to receive and transmit
5 donations. As provided in 61-3-465 and notwithstanding any
6 other provisions of Title 7, Title 17, or this title:

7 (1) the county-treasurer <u>department</u> shall receive the 8 annual scholarship donations provided for in 61-3-465 and 9 once each month transmit those donations to the state 10 treasurer; and

11 (2) the state treasurer shall accept the annual 12 scholarship donations and once each month distribute the 13 accumulated proceeds to the beneficiary institutions 14 specified by and according to the totals contained in the 15 county treasurers' reports."

Section 30. Section 61-3-502, MCA, is amended to read: 16 "61-3-502. Sales tax on new motor vehicles ---17 exemptions. (1) In consideration of the right to use the 18 19 highways of the state, there is imposed a tax upon all sales 20 of new motor vehicles, excluding trailers, semitrailers, and 21 housetrailers, for which a license is sought and an original 22 application for title is made. The tax must be paid by the 23 purchaser when he applies for his original Montana license through the county-treasurer department. 24

25 (2) Except as provided in subsections (4) and (5), the

1 sales tax is:

(a) 1 1/2% of the f.o.b. factory list price or f.o.b. 2 port-of-entry list price, during the first quarter of the 3 year or for a registration period other than a calendar year 4 5 or calendar guarter; (b) 1 1/8% of the list price during the second guarter 6 7 of the year; (c) 3/4 of 1% during the third quarter of the year; я (d) 3/8 of 1% during the fourth guarter of the year. q (3) If the manufacturer or importer fails to furnish 10 the f.o.b. factory list price or f.o.b. port-of-entry list 11 12 price, the department may use published price lists. (4) The new car sales tax on vehicles subject to the 13 provisions of 61-3-313 through 61-3-316 is 1 1/2% of the 14 f.o.b. factory list price or f.o.b. port-of-entry list price 15 regardless of the month in which the new vehicle is 16 purchased. 17 (5) The sales tax on new motor vehicles registered as 18

19 part of a fleet under 61-3-318 is 3/4 of 1% of the f.o.b. 20 factory list price or f.o.b. port-of-entry list price.

21 (6) The proceeds from this tax must be remitted to the
22 state treasurer every 30 days for credit to the state
23 highway account of the state special revenue fund.

24 (7) The new vehicle is not subject to any other25 assessment, fee in lieu of tax, or tax during the calendar

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year in which the original application for title is made. 1 (8) (a) The applicant for original registration of any 2 new and unused motor vehicle, or a new motor vehicle 3 furnished without charge by a dealer to a school district 4 for use as a traffic education motor vehicle by a school 5 district operating a state-approved traffic education 6 program within the state, whether or not previously licensed 7 or titled to the school district (except a mobile home as 8 defined in 15-1-101(1)), acquired by original contract after 9 January 1 of any year, is required, whenever the vehicle has 10 not been otherwise assessed, to pay the motor vehicle sales 11 tax provided by this section irrespective of whether the 12 vehicle was in the state of Montana on January 1 of the 13 14 year.

(b) No A motor vehicle may not be registered or 15 licensed under the provisions of this subsection unless the 16 application for registration is accompanied by a statement 17 of origin to be furnished by the dealer selling the vehicle, 18 showing that the vehicle has not previously been registered 19 or owned, except as otherwise provided herein, by any 20 person, firm, corporation, or association that is not a new 21 motor vehicle dealer holding a franchise or distribution 22 agreement from a new car manufacturer, distributor, or 23 24 importer.

25 (9) (a) Motor vehicles operating exclusively for

transportation of persons for hire within the limits of
 incorporated cities or towns and within 15 miles from such
 limits are exempt from subsection (1).

4 (b) Motor vehicles brought or driven into Montana by a 5 nonresident, migratory, bona fide agricultural worker 6 temporarily employed in agricultural work in this state 7 where those motor vehicles are used exclusively for 8 transportation of agricultural workers are also exempt from 9 subsection (1).

10 (c) Vehicles lawfully displaying a licensed dealer's 11 plate as provided in 61-4-103 are exempt from subsection (1) 12 when moving to or from a dealer's place of business when 13 unloaded or loaded with dealer's property only, and in the 14 case of vehicles having a gross loaded weight of less than 15 24,000 pounds, while being demonstrated in the course of the 16 dealer's business."

17 Section 31. Section 61-3-503, MCA, is amended to read:

18 "61-3-503. (Temporary) Assessment -- duties of owner.
19 (1) Except as provided in 61-3-520 and subsection (2) of
20 this section, the following apply to the taxation of motor
21 vehicles:

(a) Except as provided in subsections (1)(c) through (i)(e) (1)(f), a person who files an application for registration or reregistration of a motor vehicle shall before filing the application with the county-treasurer

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<u>department</u> submit the application to the county assessor.
 The county assessor shall enter on the application in a
 space to be provided for that purpose the market value and
 taxable value of the vehicle as of January 1 of the year for
 which the application for registration is made.

6 (b) Except as provided in subsection (1)(c), motor 7 vehicles are assessed for taxes on January 1 in each year 8 irrespective of the time fixed by law for the assessment of 9 other classes of personal property and irrespective of 10 whether the levy and tax may be a lien upon real property 11 within the state. A motor vehicle is not subject to 12 assessment, levy, and taxation more than once in each year.

13 (c) Vehicles subject to the provisions of 61-3-313 14 through 61-3-316 shall must be assessed as of the first day 15 of the registration period, using the average trade-in or 16 wholesale value as of January 1 of the year of assessment of the vehicle as contained in the most recent volume of the 17 Mountain States Edition of the National Automobile Dealers 18 Association (N.A.D.A.) Official Used Car Guide, the National 19 20 Edition of N.A.D.A. Appraisal Guides Official Older Used Car Guide, or another nationally published used car or appraisal 21 quide approved by the department, or, for a vehicle that was 22 23 never listed in any edition of the preceding guides, the 24 retail value of the vehicle as determined by the county 25 assessor, and thereafter depreciated 10% per year until a 1 value of \$500 is reached, not including additions or 2 deductions for options and mileage but including additions 3 or deductions, whether or not one of the preceding guides is 4 used, for diesel engines; and a lien for taxes and fees due 5 on the vehicle shall occur on the anniversary date of the 6 registration and shall continue until the fees and taxes 7 have been paid. If the value shown in any of the appraisal 8 guides listed in this section is less than \$500, the 9 department shall value the vehicle at \$500.

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10 (d) Motorcycles and quadricycles shall must be 11 assessed, using the greater of the following:

12 (i) \$250; or

(ii) the average trade-in or wholesale value as of January 1 of the year of assessment of the vehicle as contained in the most recent volume of the applicable National Edition of the N.A.D.A. Motorcycle/Moped/ATV Appraisal Guide or N.A.D.A. Recreational Vehicle Appraisal Guide, not including additions or deductions for options and mileage.

(e) If a vehicle assessed under subsection (1)(c) or
(1)(d) is not originally listed in the applicable N.A.D.A.
guide or other approved guide, the department of revenue or
its agent shall depreciate the original f.o.b. factory list
price, f.o.b. port-of-entry list price, or the
manufacturer's suggested list price, using the following

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1 methods:

2 (i) if the new car sales tax has been previously paid 3 and the vehicle is less than 1 year in age, the depreciation 4 percentage shall be 20%; or

(ii) if the vehicle is 1 year or older in age and it is 5 not listed in any of the appraisal guides listed in this 6 section, the department of revenue shall determine the 7 depreciation percentage to approximate the average wholesale 8 or trade-in values in the current N.A.D.A. guides referred 9 to in this subsection. For purposes of this subsection (1), 10 the age of the vehicle is determined by subtracting the 11 12 manufacturer's model year of the vehicle from the calendar 13 year of assessment.

14 (f) The owner of a vehicle whose value has been 15 established under this section and who has received a 16 registration renewal reminder with that value indicated on 17 the renewal reminder shall complete the reregistration of 18 the vehicle by mail as directed by the department on the 19 renewal form.

20 `(f)(g) When a minimum value of \$500 is reached, the
21 value shall remain at that minimum so long as the vehicle is
22 registered.

23 (g)(h) If a previously registered vehicle is no longer
24 listed in the applicable N.A.D.A. guide or other approved
25 guide, the department or its agent shall depreciate the

1 value of the vehicle at the rate of 10% a year until a minimum amount of \$500 is attained, and the value shall 2 3 remain at that amount so long as the vehicle is registered. 4 (2) The provisions of subsections (1)(a) through $f=\frac{1}{2}$ 5 (1)(h) do not apply to motor homes, travel trailers, campers, or mobile homes as defined in 15-1-101(1). 6 7 (Terminates December 31, 1993--sec. 11, Ch. 525, L. 1989.) 8 61-3-503. (Effective January 1, 1994) Assessment. (1) 9 Except as provided in subsection (2), the following apply to 10 the taxation of motor vehicles: 11 (a) Except as provided in subsections (1)(c) through 12 $(\pm)(f)$, a person who files an application for 13 registration or reregistration of a motor vehicle shall before filing such application with the county--treasurer 14 15 department submit the application to the county assessor. 16 The county assessor shall enter on the application in a 17 space to be provided for that purpose the market value and 18 taxable value of the vehicle as of January 1 of the year for 19 which the application for registration is made. 20 (b) Except as provided in subsection (1)(c), motor

vehicles are assessed for taxes on January 1 in each year irrespective of the time fixed by law for the assessment of other classes of personal property and irrespective of whether the levy and tax may be a lien upon real property within the state. In no event may any motor vehicle be

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1 subject to assessment, levy, and taxation more than once in
2 each year.

(c) Vehicles subject to the provisions of 61-3-313 3 through 61-3-316 shall must be assessed as of the first day 4 of the registration period, using the average trade-in or 5 wholesale value as of January 1 of the year of assessment of 6 the vehicle as contained in the most recent volume of the 7 Mountain States Edition of the National Automobile Dealers 8 Association (N.A.D.A.) Official Used Car Guide, the National 9 Edition of N.A.D.A. Appraisal Guides Official Older Used Car 10 Guide, or another nationally published used car or appraisal 11 guide approved by the department, or, for a vehicle that was 12 never listed in any edition of the preceding guides, the 13 retail value of the vehicle as determined by the county 14 assessor, and thereafter depreciated 10% per year until a 15 value of \$500 is reached, not including additions or 16 deductions for options and mileage but including additions 17 or deductions, whether or not one of the preceding guides is 18 used, for diesel engines; and a lien for taxes and fees due 19 on the vehicle shall occur on the anniversary date of the 20 registration and shall continue until the fees and taxes 21 have been paid. If the value shown in any of the appraisal 22 guides listed in this section is less than \$500, the 23 department shall value the vehicle at \$500. 24

25 (d) Motorcycles and quadricycles shall be assessed,

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1 using the greater of the following:

2 (i) \$250; or

3 (ii) the average trade-in or wholesale value as of 4 January 1 of the year of assessment of the vehicle as 5 contained in the most recent volume of the applicable 6 National Edition of the N.A.D.A. Motorcycle/Moped/ATV 7 Appraisal Guide or N.A.D.A. Recreational Vehicle Appraisal 8 Guide, not including additions or deductions for options and 9 mileage.

(e) If a vehicle assessed under subsection (l)(c) or 10 11 (1)(d) is not originally listed in the applicable N.A.D.A. 12 quide or other approved quide, the department of revenue or its agent shall depreciate the original f.o.b. factory list 13 14 price, f.o.b. port-of-entry list price, or the 15 manufacturer's suggested list price, using the following 16 methods:

17 (i) if the new car sales tax has been previously paid
18 and the vehicle is less than 1 year in age, the depreciation
19 percentage shall be 20%; or

(ii) if the vehicle is 1 year or older in age and it is not listed in any of the appraisal guides listed in this section, the department of revenue shall determine the depreciation percentage to approximate the average wholesale or trade-in values in the current N.A.D.A. guides referred to in this subsection. For purposes of this subsection (1),

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1 the age of the vehicle is determined by subtracting the 2 manufacturer's model year of the vehicle from the calendar 3 year of assessment.

4 (f) The owner of a vehicle whose value has been 5 established under this section and who has received a 6 registration renewal reminder with that value indicated on 7 the renewal reminder shall complete the reregistration of 8 the vehicle by mail as directed by the department on the 9 renewal reminder form.

10 (f)(g) When a minimum value of \$500 is reached, the 11 value shall remain at that minimum so long as the vehicle is 12 registered.

13 (g)(h) If a previously registered vehicle is no longer
14 listed in the applicable N.A.D.A. guide or other approved
15 guide, the department or its agent shall depreciate the
16 value of the vehicle at the rate of 10% a year until a
17 minimum amount of \$500 is attained, and the value shall
18 remain at that amount so long as the vehicle is registered.

19 (2) The provisions of subsections (1)(a) through (1)(g) 20 (1)(h) do not apply to motor homes, travel trailers, 21 campers, or mobile homes as defined in 15-1-101(1)."

22 Section 32. Section 61-3-504, MCA, is amended to read:
23 "61-3-504. Computation of tax. (1) (a) The amount of
24 taxes on a motor vehicle, other than an automobile, truck
25 having a rated capacity of 1 ton or less, motorcycle,

quadricycle, motor home, travel trailer, camper, or mobile home, is computed and determined by-the-county-treasurer on the basis of the <u>countywide average</u> levy of the year preceding the current year of application for registration or reregistration.

(b) On or before December 1 of each year, the county
treasurer of each county shall compute the countywide
average levy for the preceding year and report that average
levy to the department.
(2) The amount of tax on an automobile or truck having
a rated capacity of 1 ton or less, except for vehicles owned

12 by disabled veterans qualifying for special license plates 13 under 61-3-451, and on a motorcycle or quadricycle is 2% of

14 the value determined under 61-3-503.

15 (3) The amount of tax on fleet vehicles subject to the 16 provisions of 61-3-318 is 1% of the value determined under 17 61-3-503.

18 (4) For all taxable motor vehicles, the amount of tax 19 is entered on the application form in a space provided 20 therefor."

Section 33. Section 61-3-508, MCA, is amended to read: "61-3-508. Junk vehicle disposal fee. A special junk vehicle disposal fee shall must be assessed on each new application for a motor vehicle title and on each transfer of a motor vehicle title in the amount of \$1.50 on passenger

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1 cars and trucks under 8,001 pounds GVW. An additional special junk vehicle disposal fee shall must be assessed in 2 3 the amount of 50 cents on each passenger car and truck under 4 8,001 pounds GVW registered for licensing. The fees shall 5 must be collected by the county--treasurer department. 6 However, the following are exempt from payment of the fees: 7 (1) vehicles leased or owned by the state or by a 8 county or municipality;

9 (2) vehicles used for transportation by nonresident,
10 migratory workers temporarily employed in agricultural work
11 in this state;

12 (3) vehicles displaying dealer's license plates, as
13 provided in 61-4-103, while owned by a dealer; and

14 (4) housetrailers or equipment which is not 15 self-propelled or which requires towing upon a highway of 16 this state."

17 Section 34. Section 61-3-509, MCA, is amended to read: 18 "61-3-509. Disposition of taxes. (1) Except The 19 department shall remit all taxes collected on motor vehicles 20 to the county in which the vehicle is registered and, except 21 as provided in subsection (2), the county treasurer shall, 22 upon receipt and after deducting the district court fee, 23 credit all taxes on motor vehicles and fees in lieu of tax 24 on motor homes, travel trailers, and campers collected under 25 61-3-504, 61-3-521, and 61-3-537 to a motor vehicle suspense

1 fund, and at some time between March 1 and March 10 of each 2 year and every 60 days thereafter, the county treasurer 3 shall determine the relative proportion of residential real property taxes billed in each taxing entity in the previous 4 5 year to the total residential real property tax billed 6 within the county as a percentage and shall distribute the money in the motor vehicle suspense fund to each taxing 7 8 entity in the relative-proportions-required-by--the-levies 9 for--state;--county;-school-district;-and-municipal-purposes 10 in--the--same--manner--as--personal---property---taxes---are distributed percentage amount derived above, in the same 11 12 manner as real property taxes are distributed. 13 (2) The county treasurer shall deduct as a district court fee 7% of the amount of the 2% tax collected on an 14 15 automobile or truck having a rated capacity of 16 three-guarters of a ton or less. The county treasurer shall 17 credit the fee for district courts to a separate suspense 18 account and shall forward the amount in the account to the 19 state treasurer at the time the county treasurer distributes 20 the motor vehicle suspense fund. The state treasurer shall 21 credit amounts received under this subsection to the general fund to be used for purposes of state funding of the 22 district court expenses as provided in 3-5-901. Any amount 23 24 forwarded to the state treasurer under this subsection that is not used for district court expenses must be refunded to 25

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1 the counties in the proportion that the amount collected 1 2 from each county bears to the total amount collected." 2 3 Section 35. Section 61-3-510, MCA, is amended to read: 3 "61-3-510. Weed control fee. (1) A special weed control 4 4 5 fee of \$1.50 must be assessed on the annual registration or 5 6 6 reregistration of each motor vehicle subject 7 7 registration. The fee must be collected by the county 8 8 treasurer department. 9 9 (2) For purposes of this section, motor vehicle 10 includes: 10 11 11 (a) motor vehicle as defined in 61-1-102; 12 12 (b) motorcycle as defined in 61-1-105; 13 13 (c) motor-driven cycle as defined in 61-1-106; and 14 14 (d) guadricycle as defined in 61-1-133. 15 15 (3) The following vehicles are exempt from the fee: (a) vehicles owned or controlled by the United States 16 16 17 17 or a state, county, or city; 18 (b) vehicles exempt from payment of registration fees 18 19 19 by 61-3-321(7); and (c) vehicles or equipment which is not self-propelled 20 20 21 21 or which requires towing when moved upon a highway of this 22 22 state." 23 23 Section 36. Section 61-3-524, MCA, is amended to read: 24 "61-3-524, Tax-paid decal required on camper --24 25 application for decal -- application fee -- issuance. (1) No 25

A camper, subject to taxation in Montana, may not be operated by any person on the public highways or streets in this state unless there is displayed in a conspicuous place thereon a decal as visual proof that the tax has been paid thereon for the current year. (2) Application for the issuance of the decal shall be made to the department of revenue or the county-treasurer department of justice upon forms to be furnished for this purpose, which may be obtained from the department of revenue or at the county-treasurer's department of justice's office in the county wherein the owner resides, and is to provide for substantially the following information: (a) name of owner: (b) address; name of manufacturer; (C) (d) model number; (e) make; (f) year of manufacture; (g) statement evidencing payment of the property tax; and (h) such other information as the department of justice may require. (3) The application must be signed--by--the--county

- 24 treasurer--and--transmitted--by--him---to---the---department
- accompanied by an application fee of \$1. Upon receipt of the

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application in approved form, the department of justice or county-treasurer shall issue to the applicant a decal in the style and design prescribed by the department and of a different color than the preceding year, numbered numerically."

6 Section 37. Section 61-3-525, MCA, is amended to read: 7 "61-3-525. Annual application for decals. Application 8 may be made to the department of revenue or county-treasurer 9 <u>department of justice</u> for the issuance of camper decals 10 annually when the motor vehicle to which the camper is 11 customarily attached is registered."

Section 38. Section 61-3-535, MCA, is amended to read: 12 "61-3-535. Vehicle reregistration by mail --13 14 reregistration notice by mail. (1) The--department--shall permit--the--reregistration--of--light--vehicles--and--other 15 vehicles--subject--to--tax-under-61-3-504(2)-with-the-county 16 treasurer-by-mail-at-the-option-of-the-owner-of-the-vehicle-17 The-option-to-reregister-by-mail-need-only-be-made-available 18 for--vehicles--registered--at--the--elose--of--the--expiring 19 registration--period--in--the--name--of--the--applicant--for 20 reregistration. Reregistration of light vehicles and other 21 22 vehicles is required by mail if the form received by the registered owner has a value assigned to the vehicle and if 23 the taxes, fees in lieu of tax, and other fees have been 24 25 calculated.

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1 +2>--The-form-to-be-returned-to-the-county-treasurer--by 2 the--applicanty--with--the--appropriate--tax-and-feesy-is-to 3 contain-a-statement,-to-be-subscribed-to-by--the--applicant, 4 stating-compliance-with-the-financial-liability-requirements of-61-6-301-5 6 (3)(2) The procedure implemented by the department to 7 permit require reregistration by mail shall must provide for 8 a written reminder notice by mail to a-light vehicle owner 9 owners of the requirement to reregister his the vehicle with

10 the county---treasurer department and must provide 11 instructions for the procedure to be followed.

12 (4)(3) The department shall adopt rules to implement 13 the mail reregistration procedure."

14 Section 39. Section 61-3-701, MCA, is amended to read:

15 "61-3-701. Foreign vehicles used in gainful occupation 16 to be registered -- reciprocity. (1) Before any foreign 17 licensed motor vehicle may be operated on the highways of 18 this state for hire, compensation, or profit or before the 19 owner and/or or user thereof-uses operates the vehicle if 20 such the owner and/or or user is engaged in gainful 21 occupation or business enterprise in the state, including 22 highway work, the owner of the vehicle shall make 23 application apply to a-county-treasurer the department for registration upon--an--application--form--furnished--by--the 24 25 department. Upon receiving satisfactory evidence of

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ownership submitted-to-the-county-treasurer and the payment of property taxes, if appropriate, as required by 15-8-201, 15-8-202, 15-24-301, 61-3-504, or 61-3-537, which must be returned by the department to the county in which the vehicle is registered, the treasurer department shall accept the application for registration and shall collect the regular license fee required for the vehicle.

8 (2) The treasurer department shall thereupon issue to the applicant a copy of the certificate entitled "Owner's 9 Certificate of Registration and Payment Receipt" and-forward 10 a--duplicate--copy-of-the-certificate-to-the-department. The 11 12 treasurer department shall at the same time issue to the applicant the proper license plates or other identification 13 markers, which shall at all times be displayed upon the 14 vehicle when operated or driven upon roads and highways of 15 16 this state during the period of the life of the license.

17 (3) The registration receipt shall does not constitute
18 evidence of ownership but shall may be used only for
19 registration purposes. No <u>A</u> Montana certificate of ownership
20 shall may not be issued for this type of registration.

21 (4) This section is not applicable to any vehicle 22 covered by a valid and existing reciprocal agreement or 23 declaration entered into under the provisions of the laws of 24 Montana."

25 Section 40. Section 61-4-111, MCA, is amended to read:

"61-4-111. Used motor vehicles -- transfer to and from 1 2 dealers. (1) The provisions of 61-3-201(2) shall do not apply in the event of the transfer of a motor vehicle to a 3 4 duly licensed automobile dealer intending to resell such the vehicle and who operates the same vehicle only for 5 demonstration purposes. In such those cases, the dealer 6 shall may not be required to make application for a new 7 8 certificate of ownership or for registration during the 9 period of his ownership of said the vehicle, but upon his transfer of ownership thereof to a person other than a 10 licensed motor vehicle dealer, the following acts shall be 11 12 required of the dealer on or before the times herein set 13 forth:

(a) Prior to his delivery of the vehicle to the 14 purchaser, the dealer shall issue and affix to the rear 15 16 window of said the vehicle a sticker in form to be 17 prescribed by the department and containing the name and 18 address of the purchaser, date of sale, name and address of 19 the dealer, and a description of the vehicle, including its 20 serial number. There shall must be imprinted upon said the sticker in bold letters the following statement: "IT IS 21 22 UNLAWFUL TO PLACE LICENSE PLATES UPON THIS VEHICLE UNTIL 23 REGISTERED AT THE OPPICE--OP--THE--COUNTY--TREASURER MOTOR VEHICLE DIVISION OFFICE". One copy of said the sticker 24 25 shall must be delivered by the dealer to the county

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treasurer motor vehicle division office in the manner prescribed in subsection (1)(b) hereof, and a copy shall must be retained by the dealer for his file. It is unlawful for the dealer to issue more than one sticker per vehicle sale.

(b) Within 4 working days following the date of 6 delivery of said the vehicle, the dealer shall forward to 7 the county-treasurer-of motor vehicle division office in the 8 county where the purchaser resides the certificate of 9 ownership and certificate of registration (if the they same 10 are then in his possession), with an application for 11 registration executed by the new owner in accordance with 12 the provisions of 61-3-322, and a copy of the sticker 13 affixed to said the vehicle by the dealery. and--the The 14 department, upon receipt of said the documents from-the 15 county--treasurer, together with the conditional sales 16 contract or other lien, if any, shall issue a new 17 certificate of ownership and certificate of registration 18 together with a statement of any conditional sales contract, 19 mortgage, or other lien as provided in 61-3-202. 20 Transmission of said the documents by the dealer to the 21 county--treasurer motor vehicle division office may be 22 accomplished either by personal delivery or by first class 23 mail, in which event they-shall-be-deemed the documents are 24 considered to have been delivered at the time of mailing. 25

٦ (c) If the dealer is unable to forward the certificate 2 of ownership and/or or the certificate of registration 3 within the time set forth in subsection (1)(b) hereof. 4 because the same certificates are lost, are in the possession of third parties, or are in process of reissuance 5 in this state or elsewhere, he the dealer shall comply in 6 7 all other respects with the provisions of subsection (1)(b) and shall forward the missing document or documents to the 8 county--treasurer motor vehicle division office, either 9 10 personally or by first-class first-class mail, within 3 days 11 after their receipt.

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12 (2) Upon compliance by the dealer with the requirements 13 set forth in this section, title to said the motor vehicle 14 shall--be--deemed is considered to have passed to the 15 purchaser as of the date of the delivery of said the vehicle 16 to him by the dealer, and the dealer shall-have has no 17 further liability or responsibility with respect to the 18 processing of registration."

19 Section 41. Section 61-4-112, MCA, is amended to read: 20 "61-4-112. New motor vehicles -- transfers by dealers. 21 (1) When a motor vehicle dealer transfers a new motor 22 vehicle to a purchaser or other recipient, the dealer shall: 23 (a) issue and affix a sticker as prescribed in 24 61-4-111(1)(a) for transfers of used motor vehicles and 25 retain a copy of the sticker;

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(b) within 4 working days following the date of
 delivery of the new motor vehicle, forward to the county
 treasurer--of motor vehicle division office in the county
 where the purchaser or recipient resides:

5 (i) one copy of the sticker issued under subsection 6 (1)(a);

7 (ii) an application for certificate of title with a 8 notice of security interest, if any, executed by the 9 purchaser or recipient; and

10 (iii) a statement of origin as prescribed in 11 61-3-502(8)(b).

12 (2) Upon receipt from--the--county--treasurer of the 13 documents required under subsection (1), the department 14 shall issue a certificate of ownership and certificate of 15 registration together with a statement of lien as provided 16 in 61-3-202."

Section 42. Section 61-4-310, MCA, is amended to read: 17 "61-4-310. Single movement permit -- fee -- limitation 18 -- county--treasurer department to issue. (1) A vehicle, 19 subject to license under this title, may be moved unladen 20 upon the highways of this state from a point within the 21 state to a point of destination. The county-treasurer motor 22 vehicle division office at the point of the origin of the 23 movement shall issue a special permit therefor in lieu of 24 fees required under 61-3-321 and part 2 of chapter 10 of 25

this title, upon application presented to-him in such the 1 form as--shall-be-provided prescribed by the department and 2 3 upon exhibiting to-said-county-treasurer proof of ownership and evidence that the personal property taxes on such the 4 vehicle, if any are due thereon, have been paid and upon 5 б payment therefor of a fee of \$5. Such The permit shall may 7 not be in lieu of fees and permits required under 61-4-301 and 61-4-302. 8

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9 (2) Such The permit shall must be for the transit of 10 the vehicle only, and the vehicle shall may not at the time 11 of such transit be used for the transportation of any 12 persons, except the driver, or property whatsoever for 13 compensation or otherwise, and shall must be for one transit 14 only between the points of origin and destination as set 15 forth in the application and shown on the permit.

16 (3) A junk vehicle as defined in part 5, chapter 10,
17 Title 75, being driven or towed to an auto wrecking
18 graveyard for disposal is exempt from the provisions of this
19 section."

Section 43. Section 61-6-302, MCA, is amended to read: "61-6-302. Proof of compliance. (1) Except as provided in subsection (2), before any applicant required to register his motor vehicle may do so, the applicant must shall certify to the county-treasurer department that he possesses an automobile liability insurance policy, a certificate of
self-insurance, or a posted indemnity bond or that he is 1 eligible for an exemption under 61-6-303 covering the motor 2 3 vehicle. The certification shall must be on a form prescribed by the department. The department may immediately 4 cancel the registration and license plates of the vehicle 5 upon notification that the insurance certification was not 6 7 correctly represented. Any person who intentionally provides false information on an insurance certification is guilty of 8 unsworn falsification to authorities, punishable as provided 9 in 45-7-203. 10

11 (2) An applicant for registration of a motor vehicle 12 who wishes to register the vehicle by mail must shall sign a 13 statement on the application stating that the applicant is 14 in compliance with the financial liability requirements of 15 61-6-301.

(3) An owner of a motor vehicle who ceases to maintain 16 the insurance or bond required or whose certificate of 17 self-insurance is canceled or whose vehicle ceases to be 18 exempt shall immediately surrender the registration and 19 license plates for the vehicle to the county--treasurer--for 20 delivery--to--the department and may not operate or permit 21 operation of the vehicle in Montana until insurance has 22 again been furnished as required and the vehicle is again 23 registered and licensed. 24

25 (4) Every person shall carry in a motor vehicle being

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1 operated by him an insurance card approved by the department but issued by the insurance carrier to the motor vehicle 2 3 owner as proof of compliance with 61-6-301. A motor vehicle operator shall exhibit the insurance card upon demand of a 4 justice of the peace, a city or municipal judge, a peace 5 6 officer, a highway patrol officer, or a field deputy or 7 inspector of the department. However, no a person charged 8 with violating this subsection may not be convicted if he 9 produces in court or the office of the arresting officer proof of insurance valid at the time of his arrest." 10

Section 44. Section 61-10-213, MCA, is amended to read: 11 12 "61-10-213. Time for payment of fees by nonresidents --13 disposition. A nonresident owner or operator of a motortruck, truck tractor, trailer, or semitrailer shall, 14 15 immediately upon arrival in the state, contact the nearest 16 highway patrol office, any department office, the county 17 sheriff, or the county-treasurer's motor vehicle division 18 office to pay the fee and secure the permit prescribed. All fees collected shall must immediately be remitted to the 19 20 county treasurer."

21 Section 45. Section 61-10-225, MCA, is amended to read: 22 "61-10-225. Disposition of fees collected by county 23 treasurer department. At the time of collecting the fees 24 provided for in 61-10-222, each--county--treasurer the 25 department shall retain 5% of the fees collected by-him for

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the cost of administration and for deposit in the general 1 2 fund of-the-county. The remaining 95% shall must be remitted 3 monthly to the state treasurer for deposit to the credit of 4 the department of highways. The-remittance-shall-be-made--on 5 forms-furnished-to-the-county-treasurer-by-the-department-" Section 46. Section 61-10-227, MCA, is amended to read: 6 7 *61-10-227. Blank forms furnished county--treasurers 8 motor vehicle division. The department shall furnish all 9 county--treasurers the motor vehicle division with the 10 following:

(1) blank application forms and affidavit forms
 outlining and providing for the information needed in each
 classification of license required;

14 (2) GVW licenses in a form determined most suitable by 15 the department;

16 (3) the other forms, stickers, certificates, or blanks
17 the department considers necessary to carry out this part."
18 Section 47. Section 61-10-233, MCA, is amended to read:
19 "61-10-233. Excess weight -- penalties. (1) The

20 operator is subject to the penalties stated in 61-10-232
21 whenever the gross loaded weight of any trucks, truck
22 tractor, trailer, or semitrailer operated upon any highway
23 in this state exceeds the gross vehicle weight shown on:

24 (a) the owner's certificate of registration and payment
 25 receipt issued under 61-3-322; or

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(b) the gross vehicle weight receipt issued under
 61-10-227.

3 (2) In addition, the operator shall immediately pay to 4 the nearest county-treasurer motor vehicle division office 5 or to the department the difference between the fee already 6 paid and that applicable to the gross weight of his vehicle 7 before unloading the excess, provided that it does not 8 exceed the legal axle weight."

Section 48. Section 80-7-810, MCA, is amended to read: 9 "80-7-810. Disposition of proceeds. Three percent of 10 11 the proceeds from the fee imposed in 61-3-510 may be 12 retained by the county-treasurer department of justice for costs of collection, and the money retained must be 13 deposited in the general fund. The remainder must be 14 deposited in the special revenue fund and must be expended 15 16 as provided in 80-7-814(2) and (3). Twenty-five percent of 17 the money deposited in the special revenue fund under this 18 section must be used for research and development of 19 nonchemical methods of weed management."

20 <u>NEW SECTION.</u> Section 49. Transition -- hiring 21 procedures. Beginning July 1, 1991, and ending June 30, 22 1992, the department of justice may, for hiring purposes 23 only, consider those county employees who are performing 24 motor vehicle duties on July 1, 1991, and who have been 25 continuously employed in that function until the

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abert sense where an and all all and a sense of a sense of a sense of the sense of the

transitional hiring begins, to be the equivalent of
 department of justice employees and may fill vacancies under
 procedures normal for internal recruitment.

NEW SECTION. Section 50. Motor vehicle division 4 offices. (1) Motor vehicle division offices, except those 5 located in Helena and Deer Lodge, must be located within the б county seat of each county being served unless the division 7 determines that a larger portion of the county population 8 could be better served by locating the office in another 9 10 community within the county.

(2) Motor vehicle division offices must be open 11 continuously from 8 a.m. until 5 p.m. each day of the year 12 except holidays and Saturdays. However, if the division has 13 determined by an analysis of the number of transactions to 14 be completed in a county that a lesser level of service is 15 reasonable, the division may establish hours of business 16 17 suitable to that county. The division shall provide a 18 schedule of hours of service for each county so affected.

19 (3) The county commissioners of the various counties 20 shall provide office space in the county courthouse for use 21 by the motor vehicle division if space is reasonably 22 available. If space is not available, it must be contracted 23 for, and the department shall pay the costs.

24 <u>NEW SECTION.</u> Section 51. Transition procedures --25 county accommodations -- fees -- department rules. (1) To

1 provide an orderly transition from county to state operation 2 of the field operations of the motor vehicle registration 3 and titling system, the department of justice shall develop 4 a transition schedule that indicates the timeframes within 5 which each county can expect to be relieved of all or a portion of the registration and titling duties now required 6 7 by law. The department shall notify each county scheduled for transition at least 3 months prior to the effective date 8 of the transition and shall make every reasonable effort to 9 10 conform to scheduled dates.

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11 (2) On and after July 1, 1991, county treasurers shall 12 continue to provide the motor vehicle registration and 13 titling services required by law, acting as agents of the 14 department until the scheduled transition date or dates, and 15 shall accommodate to the best of their ability any 16 unavoidable delays in transition by continuing such services 17 until the transition is complete.

18 (3) Prior to and during the transition periods, the
19 department may temporarily assign personnel to county
20 treasurers' offices to support the function of registering
21 and titling motor vehicles if required.

(4) During the transition, county treasurers will be
entitled to retain a portion of certain fees collected as
reimbursement of the cost of the duties involved, in the
following amounts or percentages:

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l through 57].									
(6) The department may adopt temporary rules to									
facilitate the transition process.									
Section 52. Section 23-2-508, MCA, is amended to read:									
"23-2-508. Certificate of ownership filing of									
security interests. (1) Except as provided in subsection									
(9), a motorboat or sailboat 12 feet in length or longer may									
not be operated upon the waters of the state unless a									
certificate of ownership has first been obtained from the									
department of justice in accordance with the laws of this									
state.									

1	.1	state.							
1	.2	(2) The owner of a motorboat or sailboat 12 feet in							
1	3	length or longer shall apply for a certificate of ownership							
1	4	and a certificate of number with the-county-treasurer-of-the							
1	5	countyinwhich-the-owner-resides,-upon-forms-furnished-by							
1	6	the department of justice. The forms must require the							
נ	17	following information:							
1	8	(a) name of the owner;							
1	19	(b) residence of the owner, by town or county;							
Ĩ	20	(c) business or home address of the owner;							
2	21	(d) name and address of any lienholder;							
i	22	(e) amount due under any contract or lien;							
í	23	(f) name of the manufacturer;							
:	24	(g) model number or name;							
:	25	<pre>(h) identification number;</pre>							

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(a) for each set of centennial commemorative plates 1 issued under the provisions of 2-89-302, \$3; 2 (b) for each motorboat certificate of ownership 3 application issued under the provisions of 23-2-508 or 4 5 23-2-510, \$1.50; (c) for each snowmobile certificate of ownership 6 application issued under 23-2-611 or 23-2-612, \$1.50; 7 (d) for each off-highway vehicle certificate of 8 ownership application issued under 23-2-811 or 23-2-812, \$1; 9 (e) for each late filing penalty provided for by 10 61-3-317, \$10; 11 (f) for each application for or transfer of a 12 13 personalized plate as provided in 61-3-406, \$5; (g) 5% of the gross vehicle weight fees as provided for 14 in 61-10-222; 15 (h) 3% of the weed fees provided in 61-3-510; 16 (i) 5% of the sales tax required by 61-3-502; and 17 (j) for each single movement permit issued as provided 18 in 61-4-310, \$5. 19 (5) The fees and percentages listed in subsection (4) 20 above must be reported to the state treasurer by category on 21 treasurer's monthly reports. Upon completion of the 22 transition of titling and registration functions to the 23 department of justice, the counties will no longer be 24

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entitled to the fees unless otherwise specified in (sections

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(i) name and address of the dealer or other person from
 whom acquired, if known; and

3 (j) such other information as the department of justice4 may require.

application is to be accompanied bv 5 (3) The documentation of ownership, such as an invoice, bill of 6 sale, foreign title, official certificate of boat number, 7 fee in lieu of tax receipt, or a certificate of ownership of 8 a trailer purchased with the motorboat or sailboat. An 9 applicant who fails to provide such proof of ownership shall 10 provide a certified statement describing how the motorboat 11 or sailboat 12 feet in length or longer was acquired, from 12 whom acquired if known, and other information requested by 13 the department of justice. 14

(4) If a certificate of ownership has previously been 15 issued under the provisions of this part, the application 16 for a new certificate must be accompanied by the immediately 17 previous certificate. This subsection does not apply to 18 motorboats or sailboats 12 feet in length or longer that are 19 purchased as new and unused vessels or that were operated 20 when the provisions of this part were not in force and 21 22 effect.

(5) Any motorboat or sailboat 12 feet in length or
longer that does not have a manufacturer's or other
identifying number thereon must be assigned an

identification number by the department of fish, wildlife,
 and parks. A fee of \$1 must be paid to the department for an
 assignment of number.

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(6) Upon completion of the application, the county 4 treasurer department of justice shall issue to the applicant 5 two copies of the certificate of number application, one of 6 which must be marked "file copy". The treasurer--shall 7 8 forward---one--copy--and--the--original--application--for--a certificate-of-ownership-to-the department of justice--which 9 shall enter the information contained in the application 10 11 upon the corresponding records of its office; and shall furnish the applicant a certificate of ownership containing 12 13 that information in the application considered necessary by the department and a permanent boat number. The certificate 14 of ownership need not be renewed annually and is valid as 15 long as the person holding it owns the vessel. 16

17 (7) The owner shall at all times retain possession of 18 the certificate of ownership, except when it is being 19 transmitted to and from the department of justice for 20 endorsement or cancellation.

(8) Upon application for a certificate of ownership, a
fee of \$5 \$10 must be paid to the county-treasurer,-\$3,50-of
which department of justice and must be forwarded--by--the
county--treasurer-to-the-department-of-justice-and deposited
in the general fund, except that \$1.50 of the original boat

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title fee must be forwarded to the county treasurer of the county in which the boat is registered.

(9) A person who, on July 1, 1988, is the owner of a 3 motorboat or sailboat 12 feet in length or longer with a 4 valid certificate of number issued by the state is not 5 required to file an application for a certificate of 6 ownership for the motorboat or sailboat unless he transfers 7 a part of his interest in the motorboat or sailboat or he 8 renews the certificate of number for the motorboat or 9 sailboat. 10

(10) A security interest in a boat is not valid as 11 against creditors, subsequent purchasers, or encumbrancers 12 unless a lien notice, showing that a security interest has 13 been created, has been filed with the department of justice 14 as provided in this section. The lien notice must be filed 15 on a form approved by the department [of justice]. The 16 department of justice may not file a security interest or 17 other lien unless it is accompanied by or specified in the 18 application for a certificate of ownership of the boat 19 encumbered. If the lien notice is transmitted to the 20 department of justice, the security agreement or other lien 21 instrument that creates the security interest must be 22 retained by the secured party. A copy of the security 23 agreement is sufficient as a lien notice if it contains the 24 name and address of the debtor and the secured party, the 25

complete boat description, the amount of the lien, and the 1 signature of the debtor. The department of justice shall 2 file the security interest or lien by entering the name and 3 address of the secured party upon the face of the 4 certificate of ownership. The department of justice shall 5 mail a statement certifying the filing of a security б interest or lien to the secured party. The department of 7 justice shall mail the certificate of ownership to the owner 8 9 at the address given on the certificate; however, if the 10 transfer of ownership and filing of the security interest 11 are paid for by a creditor or secured party, the department 12 of justice shall return the certificate of ownership to the county treasurer of the county where the boat is to be 13 registered. The owner of a boat is the person entitled to 14 operate and possess the boat. 15

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16 (11) A security interest in a boat held as inventory by
17 a dealer must be perfected in accordance with Title 30,
18 chapter 9, and no endorsement on the certificate of title is
19 necessary for perfection.

(12) Whenever a security interest or lien is filed against a boat that is subject to two security interests previously perfected by filing under this section, the department of justice shall endorse on the face of the certificate of ownership: "NOTICE. This boat is subject to additional security interest on file with the Department of

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Justice." No other information regarding the additional
 security interests need be endorsed on the certificate.

3 (13) Satisfactions or statements of release filed with 4 the department of justice under this part must be retained 5 for a period of 8 years after receipt, after which they may 6 be destroyed.

7 (14) The filing of a security interest or other lien as 8 herein provided perfects a security interest that has 9 attached at the time the certificate of ownership noting the 10 interest is issued. Issuance of a certificate of ownership 11 constitutes constructive notice to subsequent purchasers or 12 encumbrancers, from the time of filing, of the existence of 13 the security interest.

14 (15) Upon default under a chattel mortgage or 15 conditional sales contract covering a boat, the mortgagee or 16 vendor has the same remedies as in the case of other 17 personal property. In case of attachment of a boat all the 18 provisions of 27-18-413, 27-18-414, and 27-18-804 are 19 applicable, except that deposits must be made with the 20 department of justice.

(15) A conditional sales vendor or chattel mortgagee or assignee who fails to file a satisfaction of a chattel mortgage, assignment, or conditional sales contract within 15 days after receiving final payment is required to pay the department of justice the sum of \$1 for each day that he 1 fails to file the satisfaction.

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2 (17) Upon receipt of any liens, notice of liens 3 dependent on possession, or attachments against the record of any boat registered in this state, the department of 4 5 justice shall within 24 hours mail to the owner, conditional sales vendor, mortgagee, or their assignee a notice showing 6 7 the name and address of the lien claimant, the amount of the 8 lien, the date of execution of the lien, and, in the case of 9 attachment, the full title of the court, the action, and the 10 name of the attorney for the plaintiff or the name of the 11 attaching creditor, or both.

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12 (18) It is not necessary to refile with the department
13 of justice any instruments on file in the office of any
14 county clerk and recorder on October 1, 1989.

15 (19) A fee of \$4 \$10 must be paid to the department of 16 justice to file any security interest or other lien against 17 a boat. The \$4 \$10 fee must cover the cost of filing a satisfaction or release of the security interest and the 18 19 cost of entering the satisfaction or release on the records 20 of the department of justice and deleting the endorsement of 21 the security interest from the face of the certificate of 22 ownership. A fee of \$4 \$10 must be paid to the department of 23 justice for issuing a certified copy of a certificate of 24 ownership subject to a security interest or other lien on 25 file with the department of justice or for filing an

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1 assignment of any security interest or other lien on file
2 with the department of justice. All fees provided for in
3 this section must be paid--to--the--county--treasurer--for
4 deposit <u>deposited</u> in the general fund in-accordance-with
5 ±5-1-504."

6 Section 53. Section 23-2-509, MCA, is amended to read: 7 "23-2-509. Lost or mutilated certificate. (1) If a 8 certificate of ownership is lost or mutilated or becomes 9 illegible, the person to whom it was issued shall 10 immediately make application for and obtain a duplicate, 11 upon payment of a fee of \$3 \$10.

12 (2) The duplicate certificate of ownership must be 13 plainly marked "duplicate" across its face and be mailed or 14 delivered to the applicant."

Section 54. Section 23-2-510, MCA, is amended to read: 15 16 "23-2-510. Transfer of interest. (1) Except as provided in subsection (3), upon a transfer of a certificate of 17 ownership to a motorboat or sailboat 12 feet in length or 18 longer registered as required under the provisions of this 19 20 part, the person whose title or interest is to be transferred shall sign the certificate of ownership issued 21 22 for the motorboat or sailboat in the appropriate space 23 provided on the reverse side of the certificate, and the 24 signature must be acknowledged before the county treasurer, 25 a deputy county treasurer, an elected official authorized to

1 acknowledge signatures, an employee of the department of

2 justice, or a notary public.

(2) Within 20 calendar days after endorsement, the 3 4 transferee shall make application for transfer of the certificate of ownership with the county--treasurer--of--the 5 county-in-which-the-transferee-resides department of justice 6 7 and also make application for registration of the motorboat 8 or sailboat. The county--treasurer--shall---forward---the application--to--the department of justice--which shall file 9 10 the application upon receipt. A certificate of ownership may not be issued by the department until any outstanding 11 12 certificate is surrendered to the department or its loss is established to the department's reasonable satisfaction. The 13 county-treasurer department shall collect a fee of \$5 \$10 14 15 for each application for transfer of ownership, of which \$3.50 must be forwarded-to-the--department--of--justice--for 16 deposite deposited in the general fund, except that \$1.50 of 17 the original boat title fee must be forwarded to the county 18 19 treasurer of the county in which the boat is registered. 20 (3) A purchaser of a new or used motorboat or sailboat 21 12 feet in length or longer from a licensed dealer has a 22 grace period of 20 calendar days from the date of purchase 23 to register the motorboat or sailboat, make application for a certificate of ownership, and obtain a decal indicating 24 that the fee in lieu of property tax has been paid on the 25

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vessel for the current year. It is not a violation of this part or any other law for the purchaser to operate a newly acquired motorboat or sailboat 12 feet in length or longer without a certificate of ownership, certificate of registration, and decal during the 20-day grace period. During this period the sticker provided for in subsection (4) must remain affixed to the motorboat or sailboat.

(4) Prior to the delivery of a motorboat or sailboat 12 8 9 feet in length or longer to the purchaser, the dealer shall 10 issue and affix to a motorboat or sailboat constructed after 11 October 31, 1972, a sticker as prescribed by the department 12 of justice. The sticker must contain the name and address of the purchaser, the date of sale, the name and address of the 13 dealer, and a description of the motorboat or sailboat, 14 including its serial number. The dealer shall keep a copy of 15 the sticker for his records and shall send a copy of the 16 17 sticker to the department of justice.

18 (5) The provisions of subsection (2) do not apply in 19 the event of the transfer of a motorboat or sailboat 12 feet in length or longer to a duly licensed dealer intending to 20 resell the motorboat or sailboat and who operates it only 21 for demonstration purposes, but every dealer, 22 upon transferring his interest, shall deliver the certificate of 23 ownership with an application for a new certificate executed 24 by the new owner in accordance with the provisions of this 25

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1 part. The department of justice, upon receipt of the 2 certificate of ownership and application for a new 3 certificate containing notice of a security interest, if 4 any, shall issue a new certificate of ownership, together 5 with a statement of any conditional sales contract, 6 mortgage, or other lien.

7 (6) When the names and addresses of more than one owner
8 who are members of the same immediate family are listed on
9 the certificate of ownership, joint ownership with right of
10 survivorship, and not as tenants in common, is presumed.

11 (7) The provisions of 61-3-201(3) through (7) that 12 apply to motor vehicles also apply to any certificate of 13 ownership transferred under this section."

14 Section 55. Section 23-2-611, MCA, is amended to read: 15 "23-2-611. Certificate of ownership -- filing of 16 security interests. (1) A snowmobile may not be operated 17 upon any public lands, trails, easements, lakes, rivers, 18 streams, roadways or shoulders of roadways, streets, or 19 highways unless a certificate of ownership has first been 20 obtained from the department of justice in accordance with the laws of this state. 21

(2) The owner of a snowmobile shall apply for a
certificate of ownership with the county-treasurer-of-the
county-in-which-the-owner-resides, department of justice,
upon forms to be furnished for this purpose. The forms must

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require the following information: 1 (a) name of the owner: 2 (b) residence of the owner, by town and county; 3 business or home mail address of the owner; 4 (d) name and address of any lienholder; 5 amount due under any contract or lien; 6 (f) name of the manufacturer; 7 model number or name; 8 (h) identification number; and 9 (i) name and address of the dealer or other person from 10 11 (3) The application must be signed by at least one 12 owner or by a properly authorized officer or representative 13 14 (4) If a certificate of ownership has previously been 15 issued under the provisions of 23-2-601 through 23-2-644, 16 the application for a new certificate must be accompanied by 17 the immediately previous certificate. This subsection does 18 not apply to snowmobiles that are purchased as new and 19 unused machines or that were operated when the provisions of 20 23-2-601 through 23-2-644 were not in force and effect. 21 (5) Upon completion of the application, on---forms 22 furnished-by the department of justice7-the-county-treasurer 23 shall issue to the applicant two copies of the application,

shall--forward--one-copy-and-the-original-application-to-the department of justice,-which shall enter the information contained in the application upon the corresponding records of its office and shall furnish the applicant a certificate of ownership, which shall contain that information in the application considered necessary by the department of justice, and a permanent ownership number. The certificate of ownership is not to be renewed annually and is valid as long as the person holding it owns the snowmobile.

(6) The owner shall at all times retain possession of the certificate of ownership, except when it is being transmitted to and from the department of justice for endorsement or cancellation.

(7) Upon apolication for a certificate of ownership, a fee of \$5--shall \$10 must be paid to the county-treasurer; \$3-50-of-which-shall-be-forwarded-by-the-county-treasurer-to the department of justice and deposited in the general fund, except that \$1.50 of the original snowmobile title fee must be forwarded to the county treasurer of the county in which the snowmobile is registered. (8) A security interest in a snowmobile is not valid as

against creditors, subsequent purchasers, or encumbrancers unless a lien notice, showing that a security interest has 24 been created, has been filed with the department of justice 25 as provided in this section. The lien notice must be filed

one of which shall be marked "file copy". The treasurer

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on a form approved by the department [of justice]. The 1 department of justice may not file a security interest or 2 other lien unless it is accompanied by or specified in the 3 application for a certificate of ownership of the snowmobile 4 encumbered. If the lien notice is transmitted to the 5 department of justice, the security agreement or other lien 6 7 instrument that creates the security interest must be 8 retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the 9 name and address of the debtor and the secured party, the 10 complete snowmobile description, the amount of the lien, and 11 12 the signature of the debtor. The department of justice shall 13 file the security interest or lien by entering the name and address of the secured party upon the face of the 14 15 certificate of ownership. The department of justice shall 16 mail a statement certifying the filing of a security 17 interest or lien to the secured party. The department of justice shall mail the certificate of ownership to the owner 18 19 at the address given on the certificate; however, if the 20 transfer of ownership and filing of the security interest 21 are paid for by a creditor or secured party, the department 22 of justice shall return the certificate of ownership to the county treasurer of the county where the snowmobile is to be 23 24 registered. The owner of a snowmobile is the person entitled to operate and possess the snowmobile. 25

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1 (9) A security interest in a snowmobile held as 2 inventory by a dealer must be perfected in accordance with 3 Title 30, chapter 9, and no endorsement on the certificate 4 of title is necessary for perfection.

5 (10) Whenever a security interest or lien is filed 6 against a snowmobile that is subject to two security 7 interests previously perfected by filing under this section. 8 the department of justice shall endorse on the face of the 9 certificate of ownership: "NOTICE. This snowmobile is 10 subject to additional security interest on file with the 11 Department of Justice". No other information regarding the 12 additional security interests need be endorsed on the 13 certificate.

14 (11) Satisfactions or statements of release filed with 15 the department of justice under this part must be retained 16 for a period of 8 years after receipt, after which they may 17 be destroyed.

(12) The filing of a security interest or other lien as herein provided perfects a security interest that has attached at the time the certificate of ownership noting the interest is issued. Issuance of a certificate of ownership constitutes constructive notice to subsequent purchasers or encumbrancers, from the time of filing, of the existence of the security interest.

25 (13) Upon default under a chattel mortgage or

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1 conditional sales contract covering a snowmobile, the 2 mortgagee or vendor has the same remedies as in the case of 3 other personal property. In case of attachment of a 4 snowmobile all the provisions of 27-18-413, 27-18-414, and 5 27-18-804 are applicable, except that deposits must be made 6 with the department of justice.

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7 (14) A conditional sales vendor or chattel mortgagee or 8 assignee who fails to file a satisfaction of a chattel 9 mortgage, assignment, or conditional sales contract within 10 15 days after receiving final payment is required to pay the 11 department of justice the sum of \$1 for each day that he 12 fails to file the satisfaction.

(15) Upon receipt of any liens, notice of liens 13 dependent on possession, or attachments against the record 14 of any snowmobile registered in this state, the department 15 16 of justice shall within 24 hours mail to the owner, 17 conditional sales vendor, mortgagee, or their assignee a notice showing the name and address of the lien claimant, 18 19 the amount of the lien, the date of execution of the lien, and, in the case of attachment, the full title of the court, 20 the action, and the name of the attorney for the plaintiff 21 22 or the name of the attaching creditor, or both.

(16) It is not necessary to refile with the department
of justice any instruments on file in the office of the
county clerk and recorder on October 1, 1989.

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1 (17) A fee of \$4 \$10 must be paid to the department of justice to file any security interest or other lien against 2 a snowmobile. The \$4 \$10 fee must cover the cost of filing a 3 Λ satisfaction or release of the security interest and the cost of entering the satisfaction or release on the records 5 б of the department of justice and deleting the endorsement of 7 the security interest from the face of the certificate of 8 ownership. A fee of \$4 \$10 must be paid to the department of 9 justice for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on 10 file with the department of justice or for filing an 11 assignment of a security interest or other lien on file with 12 13 the department of justice. All fees provided for in this 14 section must be paid-to-the--county--treasurer--for--deposit 15 deposited in the general fund in-accordance-with-15-1-504." 16 Section 56. Section 23-2-612, MCA, is amended to read: 17 "23-2-612. Transfer of interest. (1) Except as provided 18 in subsection (3), upon a transfer of any certificate of 19 ownership to a snowmobile registered as required under the

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provisions of 23-2-601 through 23-2-644, the person whose

title or interest is to be transferred shall write his

signature with pen and ink upon the certificate of ownership

issued for the snowmobile in the appropriate space provided

upon the reverse side of the certificate, and the signature

shall be acknowledged before the county treasurer, a deputy

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county treasurer, an elected official authorized to acknowledge signatures, an employee of the department of justice, or a notary public.

(2) Within 20 calendar days after endorsement, the 4 transferee shall make application for transfer of the 5 certificate of ownership with the county-treasurer-of-the 6 county-in-which-the-transferee-resides department of justice 7 and also make application for registration of the 8 snowmobile. The county---treasurer---shall--forward--the 9 application-to-the department of justice--which shall file 10 the application upon receipt. A certificate of ownership may 11 not be issued by the department of justice until the 12 outstanding certificates are surrendered to that office or 13 their loss is established to its reasonable satisfaction. 14 The county-treasurer department of justice shall collect a 15 fee of \$5 \$10 for each application for transfer of 16 ownership--of--which--S3+50--must--be--forwarded---to---the 17 department--of--justice for deposit in the general fund, 18 except that \$1.50 of the original snowmobile title fee must 19 be forwarded to the county treasurer of the county in which 20 the snowmobile is registered. 21

(3) A purchaser of a new or used snowmobile from a
licensed snowmobile dealer has a grace period of 20 calendar
days from the date of purchase to register the snowmobile,
make application for a certificate of ownership, and obtain

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1 a decal indicating that the fee in lieu of property tax has 2 been paid on the snowmobile for the current year. It is not 3 a violation of 23-2-601 through 23-2-644 or any other law 4 for the purchaser to operate a newly acquired snowmobile 5 without a certificate of ownership, certificate of 6 registration, and a decal during the 20-day period. During 7 this period the sticker provided for in subsection (4) shall 8 remain affixed to the snowmobile.

9 (4) Prior to the delivery of the snowmobile to the 10 purchaser, the dealer shall issue and affix to the 11 snowmobile a sticker (in a form to be prescribed by the 12 department of justice). The sticker shall contain the name 13 and address of the purchaser, the date of sale, the name and 14 address of the dealer, and a description of the snowmobile. 15 including its serial number. The dealer shall keep a copy of 16 the sticker for his records and shall send a copy of the 17 sticker to the department of justice.

18 (5) The provisions of subsection (2) do not apply in 19 the event of the transfer of a snowmobile to a duly licensed 20 snowmobile dealer intending to resell the snowmobile and who 21 operates it only for demonstration purposes, but every 22 dealer, upon transferring his interest, shall deliver the 23 certificate of ownership with an application for a new 24 certificate executed by the new owner in accordance with the 25 provisions of 23-2-601 through 23-2-644. The department of

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justice, upon receipt of the certificate of ownership and application for a new certificate containing notice of a security interest, if any, shall issue a new certificate of ownership, together with a statement of any conditional sales contract, mortgage, or other lien.

6 (6) When the names and addresses of more than one owner 7 who are members of the same immediate family are listed on 8 the certificate of ownership, joint ownership with right of 9 survivorship, and not as tenants in common, is presumed.

10 (7) The provisions of 61-3-201(3) through (7) that 11 apply to motor vehicles also apply to any certificate of 12 ownership transferred under this section."

13 Section 57. Section 23-2-613, MCA, is amended to read: 14 "23-2-613. Lost or mutilated certificates. If any 15 certificate of ownership is lost, mutilated, or becomes 16 illegible, the person to whom it was issued shall 17 immediately make application for and obtain a duplicate 18 certificate, upon payment of a fee of \$3 \$10."

19 <u>NEW SECTION.</u> Section 58. Codification instruction.
20 [Sections 49, 50, and 51] are intended to be codified as an
21 integral part of Title 61, chapter 3, and the provisions of
22 Title 61, chapter 3, apply to [sections 49, 50, and 51].

23 <u>NEW SECTION.</u> Section 59. Effective date. [This act] is
24 effective July 1, 1991.

-End-

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STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for <u>HB0575</u>, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act assigning to the Motor Vehicle Division of the Department of Justice, those motor vehicle titling and registration duties now performed by county treasurers.

ASSUMPTIONS:

FISCAL IMPACT:

- 1. The number of motor vehicle liens processed in FY90 will remain the same in the 1993 biennium. Lien fees will increase from \$4 to \$10.
- 2. The fees currently allocated to the counties for the purpose of performing certain registration and titling duties will continue to generate \$1,300,000 per year. But due to the phase-in of state assumption, 40% will be available to the general fund in FY92 and 100% in FY93.
- 3. Registration fees for off-highway vehicles (OHV) will increase from \$2 to \$5.
- 4. Additional FTE will be added to the Driver Services Bureau of the Department of Justice to implement the provisions of this bill. Approximately 77.00 FTE will be added on a staggered hiring schedule during FY92 and approximately 148.00 FTE will be hired by the beginning of FY93.
- 5. Current law is represented by the executive budget recommendation for the Driver Services Bureau of the Department of Justice.

<u>Department of Justice-Driver Services Bureau</u>									
<u>Expenditures:</u>	FY '92			FY '93					
	<u>Current Law</u>	Proposed Law	Difference	Current Law	Proposed Law	<u>Difference</u>			
FTE	86.05	163.05	77.00	86.05	234.05	148.00			
Personal Services	2,001,700	3,364,400	1,362,700	2,000,300	4,262,300	2,262,000			
Operating Costs	656,300	1,263,400	607,100	651,400	1,360,800	709,400			
Equipment	56,500	175,200	118,700	56,300	189,300	133,000			
Total	2,714,500	4,803,000	2,088,500	2,708,000	5,812,400	3,104,400			
<u>Funding:</u>									
General Fund	2,714,500	4,803,000	2,088,500	2,708,000	5,812,400	3,104,400			
<u>Revenues:</u>									
Lien Fees (01)	540,000	1,350,000	810,000	540,000	1,350,000	810,000			
OHV Reg. Fees (01)	14,000	35,000	21,000	14,000	35,000	21,000			
County Fees Transferred (01)	0	520,000	<u>520,000</u>	0	1,300,000	<u>1,300,000</u>			
Total	554,000	1,905,000	1,351,000	554,000	2,685,000	2,131,000			

Net Impact to General Fund

ROD SUNDSTED, BUDGET DIRECTOR DATE Office of Budget and Program Planning

(737, 500)(973, 400)O'KEEFE, PHIMARY SPONSOR MARK

Fiscal Note for <u>HB0575</u>, as introduced

Fiscal Note Request, <u>HB0575</u>, <u>as introduced</u> Form BD-15 Page 2

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

County revenues would be reduced by up to \$1,300,000 per year by the provisions of this act transferring to the state general fund those fees currently allocated by law to the counties for the purpose of performing titling and registration duties. County expenditures would be reduced due to a reduction in staff and facilities currently necessary to perform the duties of titling and registration.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The ongoing expenses of the proposed changes would not be expected to change significantly from the 1993 biennium. The establishment of a single statewide management system and data network may provide for future cost savings or revenue increases through system enhancements.

TECHNICAL NOTES:

The bill contains several sections where fees were increased above the level intended and other sections where fees were not increased, as intended, in the bill draft request.