

HOUSE BILL NO. 492

INTRODUCED BY MILES, HARP

BY REQUEST OF THE DEPARTMENT OF JUSTICE

IN THE HOUSE

JANUARY 27, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON LOCAL GOVERNMENT.
FEBRUARY 18, 1987	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 19, 1987	PRINTING REPORT.
FEBRUARY 20, 1987	ON MOTION, CONSIDERATION PASSED FOR THE DAY.
FEBRUARY 21, 1987	SECOND READING, DO PASS AS AMENDED. ON MOTION, TAKEN FROM ENGROSSING AND REREFERRED TO COMMITTEE ON APPROPRIATIONS.
FEBRUARY 23, 1987	ENGROSSING REPORT.
MARCH 9, 1987	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 10, 1987	PRINTING REPORT.
MARCH 11, 1987	SECOND READING, DO PASS. ENGROSSING REPORT.
MARCH 12, 1987	THIRD READING, PASSED. AYES, 61; NOES, 36. TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 13, 1987 INTRODUCED AND REFERRED TO COMMITTEE
ON LOCAL GOVERNMENT.

MARCH 20, 1987 COMMITTEE RECOMMEND BILL BE
CONCURRED IN. REPORT ADOPTED.

MARCH 24, 1987 SECOND READING, CONCURRED IN.

MARCH 26, 1987 THIRD READING, CONCURRED IN.
AYES, 47; NOES, 3.

RETURNED TO HOUSE.

IN THE HOUSE

MARCH 27, 1987 RECEIVED FROM SENATE.

SENT TO ENROLLING.

1 House BILL NO. 492
 2 INTRODUCED BY Dale HARP
 3 BY REQUEST OF THE DEPARTMENT OF JUSTICE
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE FEE FOR
 6 ISSUANCE OF AN ORIGINAL CERTIFICATE OF OWNERSHIP AND
 7 TRANSFER OF TITLE, THE FEE FOR REPLACEMENT OF A LOST
 8 CERTIFICATE, THE FEES FOR FILING OF SECURITY INTERESTS, AND
 9 THE FEES FOR REGISTRATION OF VEHICLES; AND AMENDING SECTIONS
 10 61-3-103, 61-3-203, 61-3-204, AND 61-3-321, MCA."
 11

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

13 Section 1. Section 61-3-203, MCA, is amended to read:
 14 "61-3-203. Fee for original certificate of ownership
 15 and transfer of title -- disposition. A charge of ~~§3--shall~~
 16 §5 must be made for issuance of an original certificate of
 17 ownership of title and for a transfer of registration which
 18 ~~shall must~~ be collected by the county treasurer. The fees
 19 ~~shall must~~ be distributed as follows:

20 (1) ~~Two~~ Four dollars of each fee ~~shall must~~ be
 21 remitted to the department by the county treasurer with each
 22 application for original certificate of ownership or
 23 transfer of registration.

24 (2) Prior to March 1, 1966, and each March thereafter,
 25 the county commissioners of each county shall divide the

1 fees retained by the county to:

2 (a) the city road fund of each city and town within
 3 the county based on the number of motor vehicles registered
 4 inside the corporate limits of each city or town; and

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

8 Section 2. Section 61-3-204, MCA, is amended to read:
 9 "61-3-204. Lost certificates. In the event any
 10 certificate of ownership is lost, mutilated, or becomes
 11 illegible, the owner shall immediately make application for
 12 and obtain a duplicate thereof, upon furnishing satisfactory
 13 evidence of such facts and upon payment of a fee of ~~§2~~ §5.
 14 Revenue from this fee ~~shall must~~ be deposited in the motor
 15 vehicle recording account of the state special revenue
 16 fund."

17 Section 3. Section 61-3-103, MCA, is amended to read:
 18 "61-3-103. Filing of security interests, rights,
 19 procedure, fees. (1) No security interest in a motor vehicle
 20 shall be valid as against creditors, subsequent purchasers,
 21 or encumbrancers unless a lien notice, on a form approved by
 22 the department, that shows a security interest has been
 23 created, has been filed with the department as provided in
 24 this section. The department shall not file any security
 25 interest or other lien unless it is accompanied by or

1 specified in the application for a certificate of ownership
 2 of the vehicle encumbered. If the approved notice form is
 3 transmitted to the department, the security agreement or
 4 other lien instrument that creates the security interest
 5 must be retained by the secured party. A copy of the
 6 security agreement is sufficient as a lien notice if it
 7 contains the name and address of the debtor and the secured
 8 party, the complete vehicle description, amount of lien, and
 9 is signed by the debtor. The department shall file the
 10 security interest or lien by entering the name and address
 11 of the secured party upon the face of the certificate of
 12 ownership. The department shall mail a statement certifying
 13 to the filing of a security interest or lien to the secured
 14 party. The department shall mail the certificate of
 15 ownership to the owner at the address given on the
 16 certificate; however, if the transfer of ownership and
 17 filing of the security interest are paid for by a creditor
 18 or secured party, the department shall return the
 19 certificate of ownership to the county treasurer where the
 20 vehicle is to be registered. The owner of a motor vehicle
 21 is the person entitled to operate and possess such motor
 22 vehicle.

23 (2) A security interest in a motor vehicle held as
 24 inventory by a dealer licensed under the provisions of
 25 61-4-101, must be perfected in accordance with Title 30,

1 chapter 9, and no endorsement on the certificate of title is
 2 necessary for perfection.

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

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

15 (5) The filing of a security interest or other lien,
 16 as herein provided, perfects a security interest which has
 17 attached at the time the certificate of ownership noting
 18 such interest is issued. Issuance of a certificate of
 19 ownership constitutes constructive notice to subsequent
 20 purchasers or encumbrancers, from the time of filing, of the
 21 existence of the security interest.

22 (6) Upon default under a chattel mortgage or
 23 conditional sales contract covering a motor vehicle, the
 24 mortgagee or vendor has the same remedies as in the case of
 25 other personal property. In case of attachment of motor

1 vehicles all the provisions of 27-18-413, 27-18-414, and
2 27-18-804 shall be applicable except that deposits must be
3 made with the department.

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

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

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

24 (10) A fee of ~~\$3--shall~~ \$5 must be paid to the
25 department to file any security interest or other lien

1 against a motor vehicle. The ~~\$3~~ \$5 fee shall include and
2 cover the cost of filing a satisfaction or release of the
3 security interest and also the cost of entering such
4 satisfaction or release on the records of the department and
5 deleting the endorsement of the security interest from the
6 face of the certificate of ownership. A fee of ~~\$3--shall~~ \$5
7 must be paid the department for issuing a certified copy of
8 a certificate of ownership subject to a security interest or
9 other lien on file in the office of the department, or for
10 filing an assignment of any security interest or other lien
11 on file with the department. All fees provided for in this
12 section ~~shall~~ must be deposited by the department in the
13 motor vehicle recording account of the state special revenue
14 fund."

15 Section 4. Section 61-3-321, MCA, is amended to read:

16 "61-3-321. Registration fees of vehicles --
17 public-owned vehicles exempt from license or registration
18 fees -- disposition of fees. (1) Registration or license
19 fees shall be paid upon registration or reregistration of
20 motor vehicles, trailers, housetrailer, and semitrailers,
21 in accordance with this chapter, as follows:

22 (a) motor vehicles weighing 2,850 pounds or under
23 (other than motortrucks), \$5;

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

- 1 (c) electrically driven passenger vehicles, \$10;
 2 (d) all motorcycles and quadricycles, \$2;
 3 (e) tractors and/or trucks, \$10;
 4 (f) buses shall be classed as motortrucks and licensed
 5 accordingly;
 6 (g) trailers and semitrailers less than 2,500 pounds
 7 maximum gross loaded weight and housetrailers of all
 8 weights, \$2;
 9 (h) trailers and semitrailers over 2,500 up to 6,000
 10 pounds maximum gross loaded weight (except housetrailers),
 11 \$5;
 12 (i) trailers and semitrailers over 6,000 pounds
 13 maximum gross loaded weight, \$10;
 14 (j) trailers used exclusively in the transportation of
 15 logs in the forest or in the transportation of oil and gas
 16 well machinery, road machinery, or bridge materials, new and
 17 secondhand, shall pay a fee of \$15 annually, regardless of
 18 size or capacity.
 19 (2) All rates shall be 25% higher for motor vehicles,
 20 trailers, and semitrailers not equipped with pneumatic
 21 tires.
 22 (3) "Tractor", as specified in this section, means any
 23 motor vehicle except passenger cars used for towing a
 24 trailer or semitrailer.
 25 (4) If any motor vehicle, housetrailer, trailer, or

- 1 semitrailer is originally registered 6 months after the time
 2 of registration as set by law, the registration or license
 3 fee for the remainder of the year shall be one-half of the
 4 regular fee.
 5 (5) An additional fee of \$2 \$5 per year for each
 6 registration of a vehicle shall be collected as a
 7 registration fee. Revenue from this fee shall be forwarded
 8 by the respective county treasurers to the state treasurer
 9 for deposit in the motor vehicle recording account of the
 10 state special revenue fund.
 11 (6) The provisions of this part with respect to the
 12 payment of registration fees shall not apply to or be
 13 binding upon motor vehicles, trailers or semitrailers, or
 14 tractors owned or controlled by the United States of America
 15 or any state, county, or city.
 16 (7) The provisions of this section relating to the
 17 payment of registration fees do not apply when number plates
 18 are transferred to a replacement vehicle under 61-3-317,
 19 61-3-332(7), or 61-3-335."

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB492, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act increasing the fee for issuance of an original certificate of ownership and transfer of title, the fee for replacement of a lost certificate, the fees for filing of security interests, and the fees for registration of vehicles.

ASSUMPTIONS:

1. FY86 revenue for titles, liens and vehicle registration is representative of FY88 and FY89 revenue.

FISCAL IMPACT:Revenues:

(In million dollars)

	<u>FY88</u>			<u>FY89</u>			<u>Biennium Increase</u>
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	
Special Revenue Fund							
Motor Vehicle Account	\$2.640	\$5.992	\$3.352	\$2.640	\$5.992	\$3.352	\$6.704

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

N/A

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

N/A

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

David L. Hunter DATE *1/28/87*

DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Joan Miles DATE *1/24/87*

JOAN MILES, PRIMARY SPONSOR

Fiscal Note for HB492, as introduced.

HB-492

RE-REFERRED AND
APPROVED BY COMMITTEE
ON APPROPRIATIONS

HOUSE BILL NO. 492

INTRODUCED BY MILES, HARP

BY REQUEST OF THE DEPARTMENT OF JUSTICE

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE FEE FOR ISSUANCE OF AN ORIGINAL CERTIFICATE OF OWNERSHIP AND TRANSFER OF TITLE, THE FEE FOR REPLACEMENT OF A LOST CERTIFICATE, THE FEES FOR FILING OF SECURITY INTERESTS, AND THE FEES FOR REGISTRATION OF VEHICLES; AND AMENDING SECTIONS 61-3-103, 61-3-203, 61-3-204, AND 61-3-321, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

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

Section 1. Section 61-3-203, MCA, is amended to read:

"61-3-203. Fee for original certificate of ownership and transfer of title -- disposition. A charge of ~~93~~ 95 ~~94~~ 94 must be made for issuance of an original certificate of ownership of title and for a transfer of registration which ~~shall~~ must be collected by the county treasurer. The fees ~~shall~~ must be distributed as follows:

(1) ~~Two~~ ~~Four~~ THREE dollars of each fee ~~shall~~ must be remitted to the department by the county treasurer with each application for original certificate of ownership or transfer of registration.

(2) Prior to March 1, 1966, and each March thereafter,

the county commissioners of each county shall divide the fees retained by the county to:

(a) the city road fund of each city and town within the county based on the number of motor vehicles registered inside the corporate limits of each city or town; and

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

Section 2. Section 61-3-204, MCA, is amended to read:

"61-3-204. Lost certificates. In the event any certificate of ownership is lost, mutilated, or becomes illegible, the owner shall immediately make application for and obtain a duplicate thereof, upon furnishing satisfactory evidence of such facts and upon payment of a fee of ~~92~~ 95 ~~93~~ 93. Revenue from this fee ~~shall~~ must be deposited in the motor vehicle recording account of the state special revenue fund."

Section 3. Section 61-3-103, MCA, is amended to read:

"61-3-103. Filing of security interests, rights, procedure, fees. (1) No security interest in a motor vehicle shall be valid as against creditors, subsequent purchasers, or encumbrancers unless a lien notice, on a form approved by the department, that shows a security interest has been created, has been filed with the department as provided in this section. The department shall not file any security

1 interest or other lien unless it is accompanied by or
 2 specified in the application for a certificate of ownership
 3 of the vehicle encumbered. If the approved notice form is
 4 transmitted to the department, the security agreement or
 5 other lien instrument that creates the security interest
 6 must be retained by the secured party. A copy of the
 7 security agreement is sufficient as a lien notice if it
 8 contains the name and address of the debtor and the secured
 9 party, the complete vehicle description, amount of lien, and
 10 is signed by the debtor. The department shall file the
 11 security interest or lien by entering the name and address
 12 of the secured party upon the face of the certificate of
 13 ownership. The department shall mail a statement certifying
 14 to the filing of a security interest or lien to the secured
 15 party. The department shall mail the certificate of
 16 ownership to the owner at the address given on the
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 18 filing of the security interest are paid for by a creditor
 19 or secured party, the department shall return the
 20 certificate of ownership to the county treasurer where the
 21 vehicle is to be registered. The owner of a motor vehicle
 22 is the person entitled to operate and possess such motor
 23 vehicle.

24 (2) A security interest in a motor vehicle held as
 25 inventory by a dealer licensed under the provisions of

1 61-4-101, must be perfected in accordance with Title 30,
 2 chapter 9, and no endorsement on the certificate of title is
 3 necessary for perfection.

4 (3) Whenever a security interest or lien is filed
 5 against a motor vehicle that is subject to two security
 6 interests previously perfected by filing under this section,
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 8 of ownership, "NOTICE. This motor vehicle is subject to
 9 additional security interests on file with the Department of
 10 Justice." No other information regarding such additional
 11 security interests need be endorsed on the certificate.

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

16 (5) The filing of a security interest or other lien,
 17 as herein provided, perfects a security interest which has
 18 attached at the time the certificate of ownership noting
 19 such interest is issued. Issuance of a certificate of
 20 ownership constitutes constructive notice to subsequent
 21 purchasers or encumbrancers, from the time of filing, of the
 22 existence of the security interest.

23 (6) Upon default under a chattel mortgage or
 24 conditional sales contract covering a motor vehicle, the
 25 mortgagee or vendor has the same remedies as in the case of

1 other personal property. In case of attachment of motor
2 vehicles all the provisions of 27-18-413, 27-18-414, and
3 27-18-804 shall be applicable except that deposits must be
4 made with the department.

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

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

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

25 (10) A fee of ~~\$3-shall~~ \$5 \$4 must be paid to the

1 department to file any security interest or other lien
2 against a motor vehicle. The ~~\$3~~ \$5 \$4 fee shall include and
3 cover the cost of filing a satisfaction or release of the
4 security interest and also the cost of entering such
5 satisfaction or release on the records of the department and
6 deleting the endorsement of the security interest from the
7 face of the certificate of ownership. A fee of ~~\$3-shall~~ \$5
8 \$4 must be paid the department for issuing a certified copy
9 of a certificate of ownership subject to a security interest
10 or other lien on file in the office of the department, or
11 for filing an assignment of any security interest or other
12 lien on file with the department. All fees provided for in
13 this section ~~shall~~ must be deposited by the department in
14 the motor vehicle recording account of the state special
15 revenue fund."

16 Section 4. Section 61-3-321, MCA, is amended to read:

17 "61-3-321. Registration fees of vehicles --
18 public-owned vehicles exempt from license or registration
19 fees -- disposition of fees. (1) Registration or license
20 fees shall be paid upon registration or reregistration of
21 motor vehicles, trailers, housetrailer, and semitrailers,
22 in accordance with this chapter, as follows:

23 (a) motor vehicles weighing 2,850 pounds or under
24 (other than motortrucks), \$5;

25 (b) motor vehicles weighing over 2,850 pounds (other

1 than motortrucks), \$10;

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

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

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

5 (f) buses shall be classed as motortrucks and licensed
6 accordingly;

7 (g) trailers and semitrailers less than 2,500 pounds
8 maximum gross loaded weight and housetrailers of all
9 weights, \$2;

10 (h) trailers and semitrailers over 2,500 up to 6,000
11 pounds maximum gross loaded weight (except housetrailers),
12 \$5;

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

15 (j) trailers used exclusively in the transportation of
16 logs in the forest or in the transportation of oil and gas
17 well machinery, road machinery, or bridge materials, new and
18 secondhand, shall pay a fee of \$15 annually, regardless of
19 size or capacity.

20 (2) All rates shall be 25% higher for motor vehicles,
21 trailers, and semitrailers not equipped with pneumatic
22 tires.

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

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

6 (5) An additional fee of ~~\$2~~ ~~\$5~~ ~~\$4~~ ~~\$3~~ per year for each
7 registration of a vehicle shall be collected as a
8 registration fee. Revenue from this fee shall be forwarded
9 by the respective county treasurers to the state treasurer
10 for deposit in the motor vehicle recording account of the
11 state special revenue fund.

12 (6) The provisions of this part with respect to the
13 payment of registration fees shall not apply to or be
14 binding upon motor vehicles, trailers or semitrailers, or
15 tractors owned or controlled by the United States of America
16 or any state, county, or city.

17 (7) The provisions of this section relating to the
18 payment of registration fees do not apply when number plates
19 are transferred to a replacement vehicle under 61-3-317,
20 61-3-332(7), or 61-3-335."

21 NEW SECTION. SECTION 5. EFFECTIVE DATE. THIS ACT IS
22 EFFECTIVE JANUARY 1, 1988.

-End-

HOUSE BILL NO. 492

INTRODUCED BY MILES, HARP

BY REQUEST OF THE DEPARTMENT OF JUSTICE

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE FEE FOR ISSUANCE OF AN ORIGINAL CERTIFICATE OF OWNERSHIP AND TRANSFER OF TITLE, THE FEE FOR REPLACEMENT OF A LOST CERTIFICATE, THE FEES FOR FILING OF SECURITY INTERESTS, AND THE FEES FOR REGISTRATION OF VEHICLES; AND AMENDING SECTIONS 61-3-103, 61-3-203, 61-3-204, AND 61-3-321, MCA; AND PROVIDING A DELAYED EFFECTIVE DATE."

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(1) Two Four THREE dollars of each fee shall must be remitted to the department by the county treasurer with each application for original certificate of ownership or transfer of registration.

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the county commissioners of each county shall divide the fees retained by the county to:

(a) the city road fund of each city and town within the county based on the number of motor vehicles registered inside the corporate limits of each city or town; and

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Section 2. Section 61-3-204, MCA, is amended to read:

"61-3-204. Lost certificates. In the event any certificate of ownership is lost, mutilated, or becomes illegible, the owner shall immediately make application for and obtain a duplicate thereof, upon furnishing satisfactory evidence of such facts and upon payment of a fee of \$2 \$5 \$3. Revenue from this fee shall must be deposited in the motor vehicle recording account of the state special revenue fund."

Section 3. Section 61-3-103, MCA, is amended to read:

"61-3-103. Filing of security interests, rights, procedure, fees. (1) No security interest in a motor vehicle shall be valid as against creditors, subsequent purchasers, or encumbrancers unless a lien notice, on a form approved by the department, that shows a security interest has been created, has been filed with the department as provided in this section. The department shall not file any security



1 interest or other lien unless it is accompanied by or
 2 specified in the application for a certificate of ownership
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 4 transmitted to the department, the security agreement or
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 6 must be retained by the secured party. A copy of the
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 9 party, the complete vehicle description, amount of lien, and
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 25 inventory by a dealer licensed under the provisions of

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19 the action and the name of the attorneys for the plaintiff
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6 deleting the endorsement of the security interest from the
7 face of the certificate of ownership. A fee of ~~\$3-shall~~ \$5
8 \$4 must be paid the department for issuing a certified copy
9 of a certificate of ownership subject to a security interest
10 or other lien on file in the office of the department, or
11 for filing an assignment of any security interest or other
12 lien on file with the department. All fees provided for in
13 this section ~~shall~~ must be deposited by the department in
14 the motor vehicle recording account of the state special
15 revenue fund."

16 Section 4. Section 61-3-321, MCA, is amended to read:

17 "61-3-321. Registration fees of vehicles --
18 public-owned vehicles exempt from license or registration
19 fees -- disposition of fees. (1) Registration or license
20 fees shall be paid upon registration or reregistration of
21 motor vehicles, trailers, housetrailer, and semitrailers,
22 in accordance with this chapter, as follows:

23 (a) motor vehicles weighing 2,850 pounds or under
24 (other than motortrucks), \$5;

25 (b) motor vehicles weighing over 2,850 pounds (other

1 than motortrucks), \$10;

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

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

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

5 (f) buses shall be classed as motortrucks and licensed
6 accordingly;

7 (g) trailers and semitrailers less than 2,500 pounds
8 maximum gross loaded weight and housetrailers of all
9 weights, \$2;

10 (h) trailers and semitrailers over 2,500 up to 6,000
11 pounds maximum gross loaded weight (except housetrailers),
12 \$5;

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

15 (j) trailers used exclusively in the transportation of
16 logs in the forest or in the transportation of oil and gas
17 well machinery, road machinery, or bridge materials, new and
18 secondhand, shall pay a fee of \$15 annually, regardless of
19 size or capacity.

20 (2) All rates shall be 25% higher for motor vehicles,
21 trailers, and semitrailers not equipped with pneumatic
22 tires.

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

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

6 (5) An additional fee of ~~\$2~~ ~~95~~ ~~\$4~~ ~~\$3~~ per year for each
7 registration of a vehicle shall be collected as a
8 registration fee. Revenue from this fee shall be forwarded
9 by the respective county treasurers to the state treasurer
10 for deposit in the motor vehicle recording account of the
11 state special revenue fund.

12 (6) The provisions of this part with respect to the
13 payment of registration fees shall not apply to or be
14 binding upon motor vehicles, trailers or semitrailers, or
15 tractors owned or controlled by the United States of America
16 or any state, county, or city.

17 (7) The provisions of this section relating to the
18 payment of registration fees do not apply when number plates
19 are transferred to a replacement vehicle under 61-3-317,
20 61-3-332(7), or 61-3-335."

21 NEW SECTION. SECTION 5. EFFECTIVE DATE. THIS ACT IS
22 EFFECTIVE JANUARY 1, 1988.

-End-

1 HOUSE BILL NO. 492

2 INTRODUCED BY MILES, HARP

3 BY REQUEST OF THE DEPARTMENT OF JUSTICE

4
5 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE FEE FOR
6 ISSUANCE OF AN ORIGINAL CERTIFICATE OF OWNERSHIP AND
7 TRANSFER OF TITLE, THE FEE FOR REPLACEMENT OF A LOST
8 CERTIFICATE, THE FEES FOR FILING OF SECURITY INTERESTS, AND
9 THE FEES FOR REGISTRATION OF VEHICLES; AND AMENDING SECTIONS
10 61-3-103, 61-3-203, 61-3-204, AND 61-3-321, MCA; AND
11 PROVIDING A DELAYED EFFECTIVE DATE."
12

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

14 Section 1. Section 61-3-203, MCA, is amended to read:

15 "61-3-203. Fee for original certificate of ownership
16 and transfer of title -- disposition. A charge of ~~\$3~~
17 \$5 \$4 must be made for issuance of an original certificate
18 of ownership of title and for a transfer of registration
19 which ~~shall~~ must be collected by the county treasurer. The
20 ~~fees shall~~ must be distributed as follows:

21 (1) ~~Two Four~~ THREE dollars of each fee ~~shall~~ must be
22 remitted to the department by the county treasurer with each
23 application for original certificate of ownership or
24 transfer of registration.

25 (2) Prior to March 1, 1966, and each March thereafter,

1 the county commissioners of each county shall divide the
2 fees retained by the county to:

3 (a) the city road fund of each city and town within
4 the county based on the number of motor vehicles registered
5 inside the corporate limits of each city or town; and

6 (b) the county road fund based on the number of motor
7 vehicles registered outside the corporate limits of cities
8 and towns."

9 Section 2. Section 61-3-204, MCA, is amended to read:

10 "61-3-204. Lost certificates. In the event any
11 certificate of ownership is lost, mutilated, or becomes
12 illegible, the owner shall immediately make application for
13 and obtain a duplicate thereof, upon furnishing satisfactory
14 evidence of such facts and upon payment of a fee of ~~\$2~~ \$5
15 \$3. Revenue from this fee ~~shall~~ must be deposited in the
16 motor vehicle recording account of the state special revenue
17 fund."

18 Section 3. Section 61-3-103, MCA, is amended to read:

19 "61-3-103. Filing of security interests, rights,
20 procedure, fees. (1) No security interest in a motor vehicle
21 shall be valid as against creditors, subsequent purchasers,
22 or encumbrancers unless a lien notice, on a form approved by
23 the department, that shows a security interest has been
24 created, has been filed with the department as provided in
25 this section. The department shall not file any security

1 interest or other lien unless it is accompanied by or
 2 specified in the application for a certificate of ownership
 3 of the vehicle encumbered. If the approved notice form is
 4 transmitted to the department, the security agreement or
 5 other lien instrument that creates the security interest
 6 must be retained by the secured party. A copy of the
 7 security agreement is sufficient as a lien notice if it
 8 contains the name and address of the debtor and the secured
 9 party, the complete vehicle description, amount of lien, and
 10 is signed by the debtor. The department shall file the
 11 security interest or lien by entering the name and address
 12 of the secured party upon the face of the certificate of
 13 ownership. The department shall mail a statement certifying
 14 to the filing of a security interest or lien to the secured
 15 party. The department shall mail the certificate of
 16 ownership to the owner at the address given on the
 17 certificate; however, if the transfer of ownership and
 18 filing of the security interest are paid for by a creditor
 19 or secured party, the department shall return the
 20 certificate of ownership to the county treasurer where the
 21 vehicle is to be registered. The owner of a motor vehicle
 22 is the person entitled to operate and possess such motor
 23 vehicle.

24 (2) A security interest in a motor vehicle held as
 25 inventory by a dealer licensed under the provisions of

1 61-4-101, must be perfected in accordance with Title 30,
 2 chapter 9, and no endorsement on the certificate of title is
 3 necessary for perfection.

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

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

16 (5) The filing of a security interest or other lien,
 17 as herein provided, perfects a security interest which has
 18 attached at the time the certificate of ownership noting
 19 such interest is issued. Issuance of a certificate of
 20 ownership constitutes constructive notice to subsequent
 21 purchasers or encumbrancers, from the time of filing, of the
 22 existence of the security interest.

23 (6) Upon default under a chattel mortgage or
 24 conditional sales contract covering a motor vehicle, the
 25 mortgagee or vendor has the same remedies as in the case of

1 other personal property. In case of attachment of motor
 2 vehicles all the provisions of 27-18-413, 27-18-414, and
 3 27-18-804 shall be applicable except that deposits must be
 4 made with the department.

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

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

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

25 (10) A fee of ~~\$3~~ \$5 \$4 must be paid to the

1 department to file any security interest or other lien
 2 against a motor vehicle. The ~~\$3~~ \$5 \$4 fee shall include and
 3 cover the cost of filing a satisfaction or release of the
 4 security interest and also the cost of entering such
 5 satisfaction or release on the records of the department and
 6 deleting the endorsement of the security interest from the
 7 face of the certificate of ownership. A fee of ~~\$3~~ \$5
 8 \$4 must be paid the department for issuing a certified copy
 9 of a certificate of ownership subject to a security interest
 10 or other lien on file in the office of the department, or
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