

HOUSE BILL NO. 744

INTRODUCED BY QUILICI, BARDANOUE

BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE

IN THE HOUSE

FEBRUARY 17, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON APPROPRIATIONS.
FEBRUARY 22, 1989	FIRST READING.
MARCH 1, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
MARCH 2, 1989	PRINTING REPORT.
MARCH 3, 1989	SECOND READING, DO PASS.
MARCH 4, 1989	ENGROSSING REPORT.
MARCH 6, 1989	THIRD READING, PASSED. AYES, 92; NOES, 0.
	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 7, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON FINANCE & CLAIMS.
	FIRST READING.
MARCH 11, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 13, 1989	PASS CONSIDERATION.
MARCH 14, 1989	SECOND READING, CONCURRED IN.
MARCH 16, 1989	THIRD READING, CONCURRED IN. AYES, 48; NOES, 0.

RETURNED TO HOUSE.

IN THE HOUSE

MARCH 17, 1989

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 *House* BILL NO. *744*
2 INTRODUCED BY *Julian Bondanov*
3 BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT DELETING FROM THE STATE
6 SPECIAL REVENUE FUND THE MOTOR VEHICLE RECORDING ACCOUNT;
7 PROVIDING THAT MONEY FORMERLY DEPOSITED IN THE ACCOUNT BE
8 DEPOSITED IN THE GENERAL FUND; AMENDING SECTIONS 23-2-508,
9 23-2-510, 23-2-611, 23-2-612, 23-2-616, 23-2-619, 61-3-103,
10 61-3-108, 61-3-204, 61-3-321, 61-3-406, AND 61-5-121, MCA;
11 AND PROVIDING AN EFFECTIVE DATE."
12
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
14 **Section 1.** Section 23-2-508, MCA, is amended to read:
15 **"23-2-508. Certificate of ownership.** (1) Except as
16 provided in subsection (9), no motorboat or sailboat 12 feet
17 in length or longer may be operated upon the waters of the
18 state unless a certificate of ownership has first been
19 obtained from the department of justice in accordance with
20 the laws of this state.
21 (2) The owner of a motorboat or sailboat 12 feet in
22 length or longer shall apply for a certificate of ownership
23 and a certificate of number with the county treasurer of the
24 county in which the owner resides, upon forms furnished by
25 the department of justice. The forms must require the

1 following information:
2 (a) name of the owner;
3 (b) residence of the owner, by town or county;
4 (c) business or home address of the owner;
5 (d) name and address of any lienholder;
6 (e) amount due under any contract or lien;
7 (f) name of the manufacturer;
8 (g) model number or name;
9 (h) identification number;
10 (i) name and address of the dealer or other person
11 from whom acquired, if known; and
12 (j) such other information as the department of
13 justice may require.
14 (3) The application is to be accompanied by
15 documentation of ownership, such as an invoice, bill of
16 sale, foreign title, official certificate of boat number,
17 fee in lieu of tax receipt, or a certificate of ownership of
18 a trailer purchased with the motorboat or sailboat. An
19 applicant who fails to provide such proof of ownership shall
20 provide a certified statement describing how the motorboat
21 or sailboat 12 feet in length or longer was acquired, from
22 whom acquired if known, and other information requested by
23 the department of justice.
24 (4) If a certificate of ownership has previously been
25 issued under the provisions of this part, the application

1 for a new certificate must be accompanied by the immediately
2 previous certificate. This subsection does not apply to
3 motorboats or sailboats 12 feet in length or longer that are
4 purchased as new and unused vessels or that were operated
5 when the provisions of this part were not in force and
6 effect.

7 (5) Any motorboat or sailboat 12 feet in length or
8 longer that does not have a manufacturer's or other
9 identifying number thereon must be assigned an
10 identification number by the department of fish, wildlife,
11 and parks. A fee of \$1 must be paid to the department for an
12 assignment of number.

13 (6) Upon completion of the application, the county
14 treasurer shall issue to the applicant two copies of the
15 certificate of number application, one of which must be
16 marked "file copy". The treasurer shall forward one copy and
17 the original application for a certificate of ownership to
18 the department of justice, which shall enter the information
19 contained in the application upon the corresponding records
20 of its office, and shall furnish the applicant a certificate
21 of ownership containing that information in the application
22 considered necessary by the department and a permanent boat
23 number. The certificate of ownership need not be renewed
24 annually and is valid as long as the person holding it owns
25 the vessel.

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

5 (8) Upon application for a certificate of ownership, a
6 fee of \$6 must be paid to the county treasurer, \$4 of which
7 must be forwarded by the county treasurer to the department
8 of justice and deposited in the ~~motor--vehicle--recording~~
9 ~~account-of-the-state-special-revenue general~~ fund.

10 (9) A person who, on July 1, 1988, is the owner of a
11 motorboat or sailboat 12 feet in length or longer with a
12 valid certificate of number issued by the state is not
13 required to file an application for a certificate of
14 ownership for the motorboat or sailboat unless he transfers
15 a part of his interest in the motorboat or sailboat or he
16 renews the certificate of number for the motorboat or
17 sailboat."

18 **Section 2.** Section 23-2-510, MCA, is amended to read:

19 "23-2-510. Transfer of interest. (1) Except as
20 provided in subsection (3), upon a transfer of a certificate
21 of ownership to a motorboat or sailboat 12 feet in length or
22 longer registered as required under the provisions of this
23 part, the person whose title or interest is to be
24 transferred shall sign the certificate of ownership issued
25 for the motorboat or sailboat in the appropriate space

provided on the reverse side of the certificate, and such signature must be acknowledged before a notary public.

(2) Within 20 calendar days thereafter, the transferee shall make application for transfer of the certificate of ownership so endorsed with the county treasurer of the county in which the transferee resides and also make application for registration of the motorboat or sailboat. The county treasurer shall forward the application to the department of justice, which shall file the certificate upon receipt. No certificate of ownership may be issued by the department until any outstanding certificate is surrendered to the department or its loss is established to the department's reasonable satisfaction. The county treasurer shall collect a fee of \$6 for each application for transfer of ownership, of which \$4 must be forwarded to the department of justice for deposit in the ~~motor--vehicle recording-account-of-the-state-special-revenue~~ general fund.

(3) A purchaser of a new or used motorboat or sailboat 12 feet in length or longer from a licensed dealer has a grace period of 20 calendar days from the date of purchase to register the motorboat or sailboat, make application for a certificate of ownership, and obtain a decal indicating that the fee in lieu of property tax has been paid on the 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 feet in length or longer to the purchaser, the dealer shall issue and affix to a motorboat or sailboat constructed after October 31, 1972, a sticker as prescribed by the department of justice. The sticker must contain the name and address of the purchaser, the date of sale, the name and address of the dealer, and a description of the motorboat or sailboat, including its serial number. The dealer shall keep a copy of the sticker for his records and shall send a copy of the sticker to the department of justice.

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

Section 3. Section 23-2-611, MCA, is amended to read:

"23-2-611. Certificate of ownership. (1) No snowmobile may be operated upon any public lands, trails, easements, lakes, rivers, streams, roadways or shoulders of roadways, streets, or highways, unless a certificate of ownership has first been obtained from the department of justice in accordance with the laws of this state.

(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, upon forms to be furnished for this purpose. The forms must require the following information:

- (a) name of the owner;
- (b) residence of the owner by town and county;
- (c) business or home mail address of the owner;
- (d) name and address of any lien holder;
- (e) amount due under any contract or lien;
- (f) name of the manufacturer;
- (g) model number or name;
- (h) identification number; and
- (i) name and address of the dealer or other person

from whom acquired.

(3) The application must be signed by at least one owner or by a properly authorized officer or representative of the owner.

(4) If a certificate of ownership has previously been issued under the provisions of 23-2-601 through 23-2-644, the application for a new certificate must be accompanied by the immediately previous certificate. This subsection does not apply to snowmobiles that are purchased as new and unused machines or that were operated when the provisions of 23-2-601 through 23-2-644 were not in force and effect.

(5) Upon completion of the application on forms furnished by the department of justice, the county treasurer shall issue to the applicant two copies of the application, one of which shall be marked "file copy". The treasurer 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

1 the certificate of ownership, except when it is being
2 transmitted to and from the department of justice for
3 endorsement or cancellation.

4 (7) Upon application for a certificate of ownership, a
5 fee of \$3 shall be paid to the county treasurer, \$2 of which
6 shall be forwarded by the county treasurer to the department
7 of justice and deposited in the ~~motor--vehicle--recording~~
8 ~~account-of-the-state-special-revenue~~ general fund."

9 **Section 4.** Section 23-2-612, MCA, is amended to read:

10 "23-2-612. Transfer of interest. (1) Except as
11 provided in subsection (3), upon a transfer of any
12 certificate of ownership to a snowmobile registered as
13 required under the provisions of 23-2-601 through 23-2-644,
14 the person whose title or interest is to be transferred
15 shall write his signature with pen and ink upon the
16 certificate of ownership issued for the snowmobile in the
17 appropriate space provided upon the reverse side of the
18 certificate, and such signature shall be acknowledged before
19 a notary public.

20 (2) Within 20 calendar days thereafter, the transferee
21 shall make application for transfer of the certificate of
22 ownership so endorsed with the county treasurer of the
23 county in which the transferee resides and also make
24 application for registration of the snowmobile. The county
25 treasurer shall forward the application to the department of

1 justice, which shall file the same upon receipt thereof. No
2 certificate of ownership may be issued by the department of
3 justice until the outstanding certificates are surrendered
4 to that office or their loss established to its reasonable
5 satisfaction. The county treasurer shall collect a fee of \$3
6 for each application for transfer of ownership, of which \$2
7 shall be forwarded to the department of justice for deposit
8 in the ~~motor--vehicle--recording-account-of-the-state--special~~
9 ~~revenue~~ general fund.

10 (3) A purchaser of a new or used snowmobile from a
11 licensed snowmobile dealer has a grace period of 20 calendar
12 days from the date of purchase to register the snowmobile,
13 make application for a certificate of ownership, and obtain
14 a decal indicating that the fee in lieu of property tax has
15 been paid on the snowmobile for the current year. It is not
16 a violation of 23-2-601 through 23-2-644 or any other law
17 for the purchaser to operate a newly acquired snowmobile
18 without a certificate of ownership, certificate of
19 registration, and a decal during the 20-day period. During
20 this period the sticker, provided for in subsection (4),
21 shall remain affixed to the snowmobile.

22 (4) Prior to the delivery of the snowmobile to the
23 purchaser, the dealer shall issue and affix to the
24 snowmobile a sticker (in a form to be prescribed by the
25 department of justice). The sticker shall contain the name

and address of the purchaser, the date of sale, the name and address of the dealer, and a description of the snowmobile, including its serial number. The dealer shall keep a copy of the sticker for his records and shall send a copy of the sticker to the department of justice.

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

Section 5. Section 23-2-616, MCA, is amended to read:

"23-2-616. Registration and decals -- application and issuance -- use of certain fees. (1) No snowmobile may be operated on public lands by any person in Montana unless it has been registered and there is displayed in a conspicuous place on both sides of the cowl a decal as visual proof that

the fee in lieu of property tax has been paid on it for the current year and the immediately previous year as required by 15-16-202.

(2) Application for registration shall be made to the county treasurer upon forms to be furnished by the department of justice for this purpose, which may be obtained at the county treasurer's office in the county where the owner resides. The application shall contain the following information:

(a) name and address of the owner;

(b) certificate of ownership number;

(c) make of the snowmobile;

(d) model name of the snowmobile;

(e) year of manufacture;

(f) a statement evidencing payment of the fee in lieu of property tax as required by 15-16-202; and

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

(3) The application shall be accompanied by a decal fee of \$2, a registration fee of 50 cents, and, if the snowmobile has previously been registered, by the registration certificate for the most recent year in which the snowmobile was registered. The treasurer shall sign the application and issue a registration receipt which shall contain information considered necessary by the department

1 of justice and a listing of fees paid. The owner shall
2 retain possession of the registration receipt until it is
3 surrendered to the county treasurer for reregistration or to
4 a purchaser or subsequent owner pursuant to a transfer of
5 ownership.

6 (4) The county treasurer shall forward the signed
7 application to the department of justice and shall issue to
8 the applicant a decal in the style and design prescribed by
9 the department of justice and of a different color than the
10 preceding year, numbered in sequence.

11 (5) The county treasurer may not accept any
12 application under this section until the applicant has paid
13 the decal and registration fees and the fee in lieu of
14 property tax on the snowmobile for the current year and the
15 immediately previous year as required by 15-16-202.

16 (6) All money collected from payment of the decal fees
17 and all interest accruing from use of this money shall be
18 forwarded to the state treasurer and placed in the state
19 special revenue fund to the credit of the department, with
20 \$1 designated for use in enforcing the purposes of 23-2-601
21 through 23-2-644 and \$1 designated for use in the
22 development, maintenance, and operation of snowmobile
23 facilities. All money collected from payment of the
24 registration fee shall be forwarded to the state treasurer
25 and deposited in the ~~motor-vehicle-recording-account-of--the~~

1 ~~state-special-revenue general~~ fund.

2 (7) The county treasurer shall credit all fees in lieu
3 of tax collected on snowmobiles to the county motor vehicle
4 suspense fund provided for in 61-3-509."

5 **Section 6.** Section 23-2-619, MCA, is amended to read:

6 "23-2-619. Dealer registration certificate -- use of
7 fees. (1) A dealer registration certificate shall be issued
8 in accordance with 23-2-601 through 23-2-644.

9 (2) The dealer application shall be accompanied by an
10 application fee of \$5 and a registration fee of \$5. Upon
11 receipt of the dealer application and payment of fees, the
12 dealer shall be issued two dealer snowmobile identification
13 cards which shall be carried by the dealer or the dealer's
14 customer when demonstrating the dealer's snowmobiles.

15 (3) No bond is required of the dealer.

16 (4) The dealer shall have a principal place of
17 business where he shall maintain all his business records
18 and display and sell merchandise.

19 (5) An applicant for renewal of a snowmobile dealer
20 registration shall certify that he has sold 3 or more
21 snowmobiles during the preceding year or pay an additional
22 \$50 renewal registration fee or provide a copy of a written
23 new snowmobile franchise or sales agreement that the
24 applicant has with a manufacturer, importer, or distributor.

25 (6) Additional dealer snowmobile identification cards

as required by need justified to the department of justice may be purchased by the dealer for a fee of \$2.

(7) Dealer registration certificates and identification cards expire on June 30 following the date of issuance.

(8) (a) The dealer application fees and all interest accruing from use of this money shall be deposited in the state special revenue fund to the credit of the department, with one-half designated for use in enforcing the purposes of 23-2-601 through 23-2-644 and one-half designated for use in the development, maintenance, and operation of snowmobile facilities.

(b) All money collected from dealer registration and renewal registration fees shall be deposited in the motor vehicle-recording--account--of--the--state--special--revenue general fund."

Section 7. 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 interest or other lien unless it is accompanied by or

specified in the application for a certificate of ownership of the vehicle encumbered. If the approved notice form is transmitted to the department, the security agreement or other lien instrument that creates the security interest must be retained by the secured party. A copy of the security agreement is sufficient as a lien notice if it contains the name and address of the debtor and the secured party, the complete vehicle description, amount of lien, and is signed by the debtor. The department shall file the security interest or lien by entering the name and address of the secured party upon the face of the certificate of ownership. The department shall mail a statement certifying to the filing of a security interest or lien to the secured party. The department shall mail the certificate of ownership to the owner at the address given on the certificate; however, if the transfer of ownership and filing of the security interest are paid for by a creditor or secured party, the department shall return the certificate of ownership to the county treasurer where the vehicle is to be registered. The owner of a motor vehicle is the person entitled to operate and possess such motor vehicle.

(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,

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 \$4 must be paid to the department to file
25 any security interest or other lien against a motor vehicle.

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

15 **Section 8.** Section 61-3-108, MCA, is amended to read:

16 "61-3-108. Disposition of fees ---use. {1} All fees
 17 payable to the department under this title, unless otherwise
 18 provided, shall be deposited in a--motor--vehicle--recording
 19 account-of the state-special-revenue general fund.

20 {2}--Funds--deposited--in--the--motor-vehicle-recording
 21 account-of-the-state-special-revenue-fund--may--be--expended
 22 for-the-following-purposes:

23 {a)--to--pay--the--salaries--and--operating--expenses
 24 associated--with--performing--duties---under---this---title,
 25 including-the-manufacture-and-delivery-of-license-plates;

1 {b)--to--fund--the--forensic--science-activities-of-the
 2 department-of-justice;
 3 {c)--to--fund-the-Montana-law-enforcement-academy;
 4 {d)--to--fund-the-law-enforcement-teletype-system-of-the
 5 department-of-justice;
 6 {e)--to--fund--the--Montana--criminal--law--information
 7 center--to--the--extent--that--all--of--the--above--programs--have
 8 been-previously-funded-and-funds-remain-available."

9 **Section 9.** 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 \$3.
 15 Revenue from this fee must be deposited in the ~~motor-vehicle~~
 16 ~~recording--account--of--the--state--special--revenue~~ general
 17 fund."

18 **Section 10.** Section 61-3-321, MCA, is amended to read:

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

25 (a) motor vehicles weighing 2,850 pounds or under

1 (other than motortrucks), \$5;
 2 (b) motor vehicles weighing over 2,850 pounds (other
 3 than motortrucks), \$10;
 4 (c) electrically driven passenger vehicles, \$10;
 5 (d) all motorcycles and quadricycles, \$2;
 6 (e) tractors and/or trucks, \$10;
 7 (f) buses shall be classed as motortrucks and licensed
 8 accordingly;
 9 (g) trailers and semitrailers less than 2,500 pounds
 10 maximum gross loaded weight and housetrailer of all
 11 weights, \$2;
 12 (h) trailers and semitrailers over 2,500 up to 6,000
 13 pounds maximum gross loaded weight (except housetrailer),
 14 \$5;
 15 (i) trailers and semitrailers over 6,000 pounds
 16 maximum gross loaded weight, \$10;
 17 (j) trailers used exclusively in the transportation of
 18 logs in the forest or in the transportation of oil and gas
 19 well machinery, road machinery, or bridge materials, new and
 20 secondhand, shall pay a fee of \$15 annually, regardless of
 21 size or capacity.
 22 (2) All rates shall be 25% higher for motor vehicles,
 23 trailers, and semitrailers not equipped with pneumatic
 24 tires.
 25 (3) "Tractor", as specified in this section, means any

1 motor vehicle except passenger cars used for towing a
 2 trailer or semitrailer.
 3 (4) If any motor vehicle, housetrailer, trailer, or
 4 semitrailer is originally registered 6 months after the time
 5 of registration as set by law, the registration or license
 6 fee for the remainder of the year shall be one-half of the
 7 regular fee.
 8 (5) An additional fee of \$3 per year for each
 9 registration of a vehicle shall be collected as a
 10 registration fee. Revenue from this fee shall be forwarded
 11 by the respective county treasurers to the state treasurer
 12 for deposit in the ~~motor-vehicle-recording-account-of-the~~
 13 ~~state-special-revenue~~ general fund.
 14 (6) The provisions of this part with respect to the
 15 payment of registration fees shall not apply to or be
 16 binding upon motor vehicles, trailers or semitrailers, or
 17 tractors owned or controlled by the United States of America
 18 or any state, county, or city.
 19 (7) The provisions of this section relating to the
 20 payment of registration fees do not apply when number plates
 21 are transferred to a replacement vehicle under 61-3-317,
 22 61-3-332(7), or 61-3-335."
 23 **Section 11.** Section 61-3-406, MCA, is amended to read:
 24 "61-3-406. Fees for personalized plates --
 25 disposition. In addition to all other fees and taxes imposed

by law, the applicant for a personalized license plate shall pay a fee of \$20 for the original personalized license plate and a fee of \$5 for each transfer or renewal thereof. All revenue derived from the fee as provided herein shall be deposited in the ~~motor--vehicle--recording-account-of-the state-special-revenue~~ general fund."

Section 12. Section 61-5-121, MCA, is amended to read:

"61-5-121. Disposition of fees. (1) The disposition of the fees from driver's licenses provided for in 61-5-111(7)(a), motorcycle endorsements provided for in 61-5-111(7)(b), commercial vehicle operator's endorsements provided for in 61-5-111(7)(c), and duplicate driver's licenses provided for in 61-5-114 is as follows:

(a) The amount of 33 1/3% of each driver's license fee and of each duplicate driver's license fee must be deposited into the Montana highway patrolmen's retirement pension trust fund.

(b) (i) If the fees are collected by a county treasurer or other agent of the department, the amount of 3 1/3% of each driver's license fee and of each duplicate driver's license fee must be deposited into the county general fund.

(ii) If the fees are collected by the department, the amount provided for in subsection (1)(b)(i) must be deposited into the state special revenue fund for use by the

department to defray the costs of issuing licenses or duplicate licenses.

(c) (i) If the fee is collected by a county treasurer or other agent of the department, the amount of 5% of each motorcycle endorsement must be deposited into the county general fund.

(ii) If the fee is collected by the department, the amount provided for in subsection (1)(c)(i) must be deposited into the state special revenue fund for use by the department to defray the costs of issuing motorcycle endorsements.

(d) The amount of 23 1/3% of each driver's license fee and of each duplicate driver's license fee and the amount of 35% of each motorcycle endorsement fee must be deposited into the state traffic education account.

(e) The amount of 40% of each driver's license fee and of each duplicate driver's license fee and the amount of 60% of each motorcycle endorsement fee must be deposited into the state general fund.

(f) The entire amount of each commercial vehicle operator's endorsement fee must be deposited into the ~~motor vehicle-recording-account-established-in-61-3-108~~ state general fund.

(2) (a) If fees from driver's licenses, commercial vehicle operator's endorsements, motorcycle endorsements,

1 and duplicate driver's licenses are collected by a county
 2 treasurer or other agent of the department, he shall deposit
 3 the amounts provided for in subsections (1)(b)(i) and
 4 (1)(c)(i) into the county general fund. He shall then remit
 5 to the state treasurer all remaining fees, together with a
 6 statement indicating what portion of each fee is to be
 7 deposited into the Montana highway patrolmen's retirement
 8 pension trust fund, the state traffic education account, and
 9 the state general fund. The state treasurer, upon receipt of
 10 the fees and statement, shall deposit the fees as provided
 11 in subsections (1)(a), (1)(d), (1)(e), and (1)(f).

12 (b) If fees from driver's licenses, commercial vehicle
 13 operator's endorsements, motorcycle endorsements, and
 14 duplicate driver's licenses are collected by the department,
 15 it shall remit all fees to the state treasurer, together
 16 with a statement indicating what portion of each fee is to
 17 be deposited into the Montana highway patrolmen's retirement
 18 pension trust fund, the state special revenue fund, the
 19 state traffic education account, and the state general fund.
 20 The state treasurer, upon receipt of the fees and statement,
 21 shall deposit the fees as provided in subsections (1)(a),
 22 (1)(b)(ii), (1)(c)(ii), (1)(d), (1)(e), and (1)(f)."

23 NEW SECTION. Section 13. Extension of authority. Any
 24 existing authority to make rules on the subject of the
 25 provisions of [this act] is extended to the provisions of

1 [this act].

2 NEW SECTION. Section 14. Code commissioner
 3 instruction. The code commissioner shall change any
 4 reference to the "motor vehicle recording account" in
 5 material enacted by the 51st legislature to the "general
 6 fund".

7 NEW SECTION. Section 15. Effective date. [This act]
 8 is effective July 1, 1989.

-End-

APPROVED BY COMMITTEE
ON APPROPRIATIONS

1 *House* BILL NO. *744*
2 INTRODUCED BY *Justin Borden*
3 BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT DELETING FROM THE STATE
6 SPECIAL REVENUE FUND THE MOTOR VEHICLE RECORDING ACCOUNT;
7 PROVIDING THAT MONEY FORMERLY DEPOSITED IN THE ACCOUNT BE
8 DEPOSITED IN THE GENERAL FUND; AMENDING SECTIONS 23-2-508,
9 23-2-510, 23-2-611, 23-2-612, 23-2-616, 23-2-619, 61-3-103,
10 61-3-108, 61-3-204, 61-3-321, 61-3-406, AND 61-5-121, MCA;
11 AND PROVIDING AN EFFECTIVE DATE."
12

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

14 **Section 1.** Section 23-2-508, MCA, is amended to read:

15 "23-2-508. Certificate of ownership. (1) Except as
16 provided in subsection (9), no motorboat or sailboat 12 feet
17 in length or longer may be operated upon the waters of the
18 state unless a certificate of ownership has first been
19 obtained from the department of justice in accordance with
20 the laws of this state.

21 (2) The owner of a motorboat or sailboat 12 feet in
22 length or longer shall apply for a certificate of ownership
23 and a certificate of number with the county treasurer of the
24 county in which the owner resides, upon forms furnished by
25 the department of justice. The forms must require the

1 following information:

- 2 (a) name of the owner;
3 (b) residence of the owner, by town or county;
4 (c) business or home address of the owner;
5 (d) name and address of any lienholder;
6 (e) amount due under any contract or lien;
7 (f) name of the manufacturer;
8 (g) model number or name;
9 (h) identification number;
10 (i) name and address of the dealer or other person

11 from whom acquired, if known; and

12 (j) such other information as the department of
13 justice may require.

14 (3) The application is to be accompanied by
15 documentation of ownership, such as an invoice, bill of
16 sale, foreign title, official certificate of boat number,
17 fee in lieu of tax receipt, or a certificate of ownership of
18 a trailer purchased with the motorboat or sailboat. An
19 applicant who fails to provide such proof of ownership shall
20 provide a certified statement describing how the motorboat
21 or sailboat 12 feet in length or longer was acquired, from
22 whom acquired if known, and other information requested by
23 the department of justice.

24 (4) If a certificate of ownership has previously been
25 issued under the provisions of this part, the application

1 for a new certificate must be accompanied by the immediately
2 previous certificate. This subsection does not apply to
3 motorboats or sailboats 12 feet in length or longer that are
4 purchased as new and unused vessels or that were operated
5 when the provisions of this part were not in force and
6 effect.

7 (5) Any motorboat or sailboat 12 feet in length or
8 longer that does not have a manufacturer's or other
9 identifying number thereon must be assigned an
10 identification number by the department of fish, wildlife,
11 and parks. A fee of \$1 must be paid to the department for an
12 assignment of number.

13 (6) Upon completion of the application, the county
14 treasurer shall issue to the applicant two copies of the
15 certificate of number application, one of which must be
16 marked "file copy". The treasurer shall forward one copy and
17 the original application for a certificate of ownership to
18 the department of justice, which shall enter the information
19 contained in the application upon the corresponding records
20 of its office, and shall furnish the applicant a certificate
21 of ownership containing that information in the application
22 considered necessary by the department and a permanent boat
23 number. The certificate of ownership need not be renewed
24 annually and is valid as long as the person holding it owns
25 the vessel.

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

5 (8) Upon application for a certificate of ownership, a
6 fee of \$6 must be paid to the county treasurer, \$4 of which
7 must be forwarded by the county treasurer to the department
8 of justice and deposited in the ~~motor--vehicle--recording~~
9 ~~account-of-the-state-special-revenue~~ general fund.

10 (9) A person who, on July 1, 1988, is the owner of a
11 motorboat or sailboat 12 feet in length or longer with a
12 valid certificate of number issued by the state is not
13 required to file an application for a certificate of
14 ownership for the motorboat or sailboat unless he transfers
15 a part of his interest in the motorboat or sailboat or he
16 renews the certificate of number for the motorboat or
17 sailboat."

18 **Section 2.** Section 23-2-510, MCA, is amended to read:

19 **"23-2-510. Transfer of interest.** (1) Except as
20 provided in subsection (3), upon a transfer of a certificate
21 of ownership to a motorboat or sailboat 12 feet in length or
22 longer registered as required under the provisions of this
23 part, the person whose title or interest is to be
24 transferred shall sign the certificate of ownership issued
25 for the motorboat or sailboat in the appropriate space

1 provided on the reverse side of the certificate, and such
2 signature must be acknowledged before a notary public.

3 (2) Within 20 calendar days thereafter, the transferee
4 shall make application for transfer of the certificate of
5 ownership so endorsed with the county treasurer of the
6 county in which the transferee resides and also make
7 application for registration of the motorboat or sailboat.
8 The county treasurer shall forward the application to the
9 department of justice, which shall file the certificate upon
10 receipt. No certificate of ownership may be issued by the
11 department until any outstanding certificate is surrendered
12 to the department or its loss is established to the
13 department's reasonable satisfaction. The county treasurer
14 shall collect a fee of \$6 for each application for transfer
15 of ownership, of which \$4 must be forwarded to the
16 department of justice for deposit in the ~~motor--vehicle~~
17 ~~recording-account-of-the-state-special-revenue~~ general fund.

18 (3) A purchaser of a new or used motorboat or sailboat
19 12 feet in length or longer from a licensed dealer has a
20 grace period of 20 calendar days from the date of purchase
21 to register the motorboat or sailboat, make application for
22 a certificate of ownership, and obtain a decal indicating
23 that the fee in lieu of property tax has been paid on the
24 vessel for the current year. It is not a violation of this
25 part or any other law for the purchaser to operate a newly

1 acquired motorboat or sailboat 12 feet in length or longer
2 without a certificate of ownership, certificate of
3 registration, and decal during the 20-day grace period.
4 During this period the sticker provided for in subsection
5 (4) must remain affixed to the motorboat or sailboat.

6 (4) Prior to the delivery of a motorboat or sailboat
7 12 feet in length or longer to the purchaser, the dealer
8 shall issue and affix to a motorboat or sailboat constructed
9 after October 31, 1972, a sticker as prescribed by the
10 department of justice. The sticker must contain the name and
11 address of the purchaser, the date of sale, the name and
12 address of the dealer, and a description of the motorboat or
13 sailboat, including its serial number. The dealer shall keep
14 a copy of the sticker for his records and shall send a copy
15 of the sticker to the department of justice.

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

Section 3. Section 23-2-611, MCA, is amended to read:

"23-2-611. Certificate of ownership. (1) No snowmobile may be operated upon any public lands, trails, easements, lakes, rivers, streams, roadways or shoulders of roadways, streets, or highways, unless a certificate of ownership has first been obtained from the department of justice in accordance with the laws of this state.

(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, upon forms to be furnished for this purpose. The forms must require the following information:

- (a) name of the owner;
- (b) residence of the owner by town and county;
- (c) business or home mail address of the owner;
- (d) name and address of any lien holder;
- (e) amount due under any contract or lien;
- (f) name of the manufacturer;
- (g) model number or name;
- (h) identification number; and
- (i) name and address of the dealer or other person

from whom acquired.

(3) The application must be signed by at least one owner or by a properly authorized officer or representative of the owner.

(4) If a certificate of ownership has previously been issued under the provisions of 23-2-601 through 23-2-644, the application for a new certificate must be accompanied by the immediately previous certificate. This subsection does not apply to snowmobiles that are purchased as new and unused machines or that were operated when the provisions of 23-2-601 through 23-2-644 were not in force and effect.

(5) Upon completion of the application on forms furnished by the department of justice, the county treasurer shall issue to the applicant two copies of the application, one of which shall be marked "file copy". The treasurer 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

1 the certificate of ownership, except when it is being
2 transmitted to and from the department of justice for
3 endorsement or cancellation.

4 (7) Upon application for a certificate of ownership, a
5 fee of \$3 shall be paid to the county treasurer, \$2 of which
6 shall be forwarded by the county treasurer to the department
7 of justice and deposited in the ~~motor--vehicle--recording~~
8 ~~account-of-the-state-special-revenue~~ general fund."

9 **Section 4.** Section 23-2-612, MCA, is amended to read:

10 "23-2-612. Transfer of interest. (1) Except as
11 provided in subsection (3), upon a transfer of any
12 certificate of ownership to a snowmobile registered as
13 required under the provisions of 23-2-601 through 23-2-644,
14 the person whose title or interest is to be transferred
15 shall write his signature with pen and ink upon the
16 certificate of ownership issued for the snowmobile in the
17 appropriate space provided upon the reverse side of the
18 certificate, and such signature shall be acknowledged before
19 a notary public.

20 (2) Within 20 calendar days thereafter, the transferee
21 shall make application for transfer of the certificate of
22 ownership so endorsed with the county treasurer of the
23 county in which the transferee resides and also make
24 application for registration of the snowmobile. The county
25 treasurer shall forward the application to the department of

1 justice, which shall file the same upon receipt thereof. No
2 certificate of ownership may be issued by the department of
3 justice until the outstanding certificates are surrendered
4 to that office or their loss established to its reasonable
5 satisfaction. The county treasurer shall collect a fee of \$3
6 for each application for transfer of ownership, of which \$2
7 shall be forwarded to the department of justice for deposit
8 in the ~~motor-vehicle-recording-account-of-the-state--special~~
9 ~~revenue~~ general fund.

10 (3) A purchaser of a new or used snowmobile from a
11 licensed snowmobile dealer has a grace period of 20 calendar
12 days from the date of purchase to register the snowmobile,
13 make application for a certificate of ownership, and obtain
14 a decal indicating that the fee in lieu of property tax has
15 been paid on the snowmobile for the current year. It is not
16 a violation of 23-2-601 through 23-2-644 or any other law
17 for the purchaser to operate a newly acquired snowmobile
18 without a certificate of ownership, certificate of
19 registration, and a decal during the 20-day period. During
20 this period the sticker, provided for in subsection (4),
21 shall remain affixed to the snowmobile.

22 (4) Prior to the delivery of the snowmobile to the
23 purchaser, the dealer shall issue and affix to the
24 snowmobile a sticker (in a form to be prescribed by the
25 department of justice). The sticker shall contain the name

1 and address of the purchaser, the date of sale, the name and
2 address of the dealer, and a description of the snowmobile,
3 including its serial number. The dealer shall keep a copy of
4 the sticker for his records and shall send a copy of the
5 sticker to the department of justice.

6 (5) The provisions of subsection (2) ~~of this section~~
7 do not apply in the event of the transfer of a snowmobile to
8 a duly licensed snowmobile dealer intending to resell the
9 snowmobile and who operates it only for demonstration
10 purposes, but every such dealer, upon transferring such
11 interest, shall deliver the certificate of ownership with an
12 application for a new certificate executed by the new owner
13 in accordance with the provisions of 23-2-601 through
14 23-2-644. The department of justice, upon receipt of the
15 certificate of ownership and application for a new
16 certificate, containing notice of a security interest, if
17 any, shall issue a new certificate of ownership together
18 with a statement of any conditional sales contract,
19 mortgage, or other lien."

20 **Section 5.** Section 23-2-616, MCA, is amended to read:

21 "**23-2-616. Registration and decals -- application and**
22 **issuance -- use of certain fees.** (1) No snowmobile may be
23 operated on public lands by any person in Montana unless it
24 has been registered and there is displayed in a conspicuous
25 place on both sides of the cowl a decal as visual proof that

1 the fee in lieu of property tax has been paid on it for the
2 current year and the immediately previous year as required
3 by 15-16-202.

4 (2) Application for registration shall be made to the
5 county treasurer upon forms to be furnished by the
6 department of justice for this purpose, which may be
7 obtained at the county treasurer's office in the county
8 where the owner resides. The application shall contain the
9 following information:

- 10 (a) name and address of the owner;
- 11 (b) certificate of ownership number;
- 12 (c) make of the snowmobile;
- 13 (d) model name of the snowmobile;
- 14 (e) year of manufacture;
- 15 (f) a statement evidencing payment of the fee in lieu
16 of property tax as required by 15-16-202; and
- 17 (g) such other information as the department of
18 justice may require.

19 (3) The application shall be accompanied by a decal
20 fee of \$2, a registration fee of 50 cents, and, if the
21 snowmobile has previously been registered, by the
22 registration certificate for the most recent year in which
23 the snowmobile was registered. The treasurer shall sign the
24 application and issue a registration receipt which shall
25 contain information considered necessary by the department

1 of justice and a listing of fees paid. The owner shall
2 retain possession of the registration receipt until it is
3 surrendered to the county treasurer for reregistration or to
4 a purchaser or subsequent owner pursuant to a transfer of
5 ownership.

6 (4) The county treasurer shall forward the signed
7 application to the department of justice and shall issue to
8 the applicant a decal in the style and design prescribed by
9 the department of justice and of a different color than the
10 preceding year, numbered in sequence.

11 (5) The county treasurer may not accept any
12 application under this section until the applicant has paid
13 the decal and registration fees and the fee in lieu of
14 property tax on the snowmobile for the current year and the
15 immediately previous year as required by 15-16-202.

16 (6) All money collected from payment of the decal fees
17 and all interest accruing from use of this money shall be
18 forwarded to the state treasurer and placed in the state
19 special revenue fund to the credit of the department, with
20 \$1 designated for use in enforcing the purposes of 23-2-601
21 through 23-2-644 and \$1 designated for use in the
22 development, maintenance, and operation of snowmobile
23 facilities. All money collected from payment of the
24 registration fee shall be forwarded to the state treasurer
25 and deposited in the ~~motor-vehicle-recording-account-of--the~~

1 ~~state-special-revenue~~ general fund.

2 (7) The county treasurer shall credit all fees in lieu
3 of tax collected on snowmobiles to the county motor vehicle
4 suspense fund provided for in 61-3-509."

5 **Section 6.** Section 23-2-619, MCA, is amended to read:

6 **"23-2-619. Dealer registration certificate -- use of**
7 **fees.** (1) A dealer registration certificate shall be issued
8 in accordance with 23-2-601 through 23-2-644.

9 (2) The dealer application shall be accompanied by an
10 application fee of \$5 and a registration fee of \$5. Upon
11 receipt of the dealer application and payment of fees, the
12 dealer shall be issued two dealer snowmobile identification
13 cards which shall be carried by the dealer or the dealer's
14 customer when demonstrating the dealer's snowmobiles.

15 (3) No bond is required of the dealer.

16 (4) The dealer shall have a principal place of
17 business where he shall maintain all his business records
18 and display and sell merchandise.

19 (5) An applicant for renewal of a snowmobile dealer
20 registration shall certify that he has sold 3 or more
21 snowmobiles during the preceding year or pay an additional
22 \$50 renewal registration fee or provide a copy of a written
23 new snowmobile franchise or sales agreement that the
24 applicant has with a manufacturer, importer, or distributor.

25 (6) Additional dealer snowmobile identification cards

1 as required by need justified to the department of justice
2 may be purchased by the dealer for a fee of \$2.

3 (7) Dealer registration certificates and
4 identification cards expire on June 30 following the date of
5 issuance.

6 (8) (a) The dealer application fees and all interest
7 accruing from use of this money shall be deposited in the
8 state special revenue fund to the credit of the department,
9 with one-half designated for use in enforcing the purposes
10 of 23-2-601 through 23-2-644 and one-half designated for use
11 in the development, maintenance, and operation of snowmobile
12 facilities.

13 (b) All money collected from dealer registration and
14 renewal registration fees shall be deposited in the motor
15 ~~vehicle-recording--account--of--the--state--special--revenue~~
16 general fund."

17 **Section 7.** 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,

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 interests previously perfected by filing under this section, the department shall endorse on the face of the certificate of ownership, "NOTICE. 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.

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

(5) The filing of a security interest or other lien, as herein provided, perfects a security interest which has attached at the time the certificate of ownership noting such 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.

(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 made with the department.

(7) 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 shall be required to pay the department the sum of \$1 for each day thereafter that he fails to file such satisfaction.

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

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

(10) A fee of \$4 must be paid to the department to file any security interest or other lien against a motor vehicle.

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

15 **Section 8.** Section 61-3-108, MCA, is amended to read:

16 "61-3-108. Disposition of fees ---use. (1) All fees
 17 payable to the department under this title, unless otherwise
 18 provided, shall be deposited in a--motor--vehicle--recording
 19 account-of the state-special-revenue general fund.

20 (2)--Funds--deposited--in--the--motor-vehicle-recording
 21 account-of-the-state-special-revenue-fund--may--be--expended
 22 for-the-following-purposes:

23 (a)--to---pay---the---salaries---and---operating---expenses
 24 associated--with--performing--duties---under---this---title;
 25 including-the-manufacture-and-delivery-of-license-plates;

1 (b)--to--fund--the--forensic--science-activities-of-the
 2 department-of-justice;
 3 (c)--to-fund-the-Montana-law-enforcement-academy;
 4 (d)--to-fund-the-law-enforcement-teletype-system-of-the
 5 department-of-justice;
 6 (e)--to--fund--the--Montana--criminal--law--information
 7 center--to--the--extent--that-all-of-the-above-programs-have
 8 been-previously-funded-and-funds-remain-available."

9 **Section 9.** 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 \$3.
 15 Revenue from this fee must be deposited in the ~~motor-vehicle~~
 16 ~~recording-account--of--the--state--special--revenue~~ general
 17 fund."

18 **Section 10.** Section 61-3-321, MCA, is amended to read:

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

25 (a) motor vehicles weighing 2,850 pounds or under

1 (other than motortrucks), \$5;
 2 (b) motor vehicles weighing over 2,850 pounds (other
 3 than motortrucks), \$10;
 4 (c) electrically driven passenger vehicles, \$10;
 5 (d) all motorcycles and quadricycles, \$2;
 6 (e) tractors and/or trucks, \$10;
 7 (f) buses shall be classed as motortrucks and licensed
 8 accordingly;
 9 (g) trailers and semitrailers less than 2,500 pounds
 10 maximum gross loaded weight and housetrailer of all
 11 weights, \$2;
 12 (h) trailers and semitrailers over 2,500 up to 6,000
 13 pounds maximum gross loaded weight (except housetrailer),
 14 \$5;
 15 (i) trailers and semitrailers over 6,000 pounds
 16 maximum gross loaded weight, \$10;
 17 (j) trailers used exclusively in the transportation of
 18 logs in the forest or in the transportation of oil and gas
 19 well machinery, road machinery, or bridge materials, new and
 20 secondhand, shall pay a fee of \$15 annually, regardless of
 21 size or capacity.
 22 (2) All rates shall be 25% higher for motor vehicles,
 23 trailers, and semitrailers not equipped with pneumatic
 24 tires.
 25 (3) "Tractor", as specified in this section, means any

1 motor vehicle except passenger cars used for towing a
 2 trailer or semitrailer.
 3 (4) If any motor vehicle, housetrailer, trailer, or
 4 semitrailer is originally registered 6 months after the time
 5 of registration as set by law, the registration or license
 6 fee for the remainder of the year shall be one-half of the
 7 regular fee.
 8 (5) An additional fee of \$3 per year for each
 9 registration of a vehicle shall be collected as a
 10 registration fee. Revenue from this fee shall be forwarded
 11 by the respective county treasurers to the state treasurer
 12 for deposit in the ~~motor-vehicle-recording--account--of--the~~
 13 ~~state-special-revenue~~ general fund.
 14 (6) The provisions of this part with respect to the
 15 payment of registration fees shall not apply to or be
 16 binding upon motor vehicles, trailers or semitrailers, or
 17 tractors owned or controlled by the United States of America
 18 or any state, county, or city.
 19 (7) The provisions of this section relating to the
 20 payment of registration fees do not apply when number plates
 21 are transferred to a replacement vehicle under 61-3-317,
 22 61-3-332(7), or 61-3-335."
 23 **Section 11.** Section 61-3-406, MCA, is amended to read:
 24 "61-3-406. Fees for personalized plates --
 25 disposition. In addition to all other fees and taxes imposed

1 by law, the applicant for a personalized license plate shall
 2 pay a fee of \$20 for the original personalized license plate
 3 and a fee of \$5 for each transfer or renewal thereof. All
 4 revenue derived from the fee as provided herein shall be
 5 deposited in the motor--vehicle--recording-account-of-the
 6 state-special-revenue general fund."

7 **Section 12.** Section 61-5-121, MCA, is amended to read:

8 "61-5-121. Disposition of fees. (1) The disposition of
 9 the fees from driver's licenses provided for in
 10 61-5-111(7)(a), motorcycle endorsements provided for in
 11 61-5-111(7)(b), commercial vehicle operator's endorsements
 12 provided for in 61-5-111(7)(c), and duplicate driver's
 13 licenses provided for in 61-5-114 is as follows:

14 (a) The amount of 33 1/3% of each driver's license fee
 15 and of each duplicate driver's license fee must be deposited
 16 into the Montana highway patrolmen's retirement pension
 17 trust fund.

18 (b) (i) If the fees are collected by a county
 19 treasurer or other agent of the department, the amount of
 20 3 1/3% of each driver's license fee and of each duplicate
 21 driver's license fee must be deposited into the county
 22 general fund.

23 (ii) If the fees are collected by the department, the
 24 amount provided for in subsection (1)(b)(i) must be
 25 deposited into the state special revenue fund for use by the

1 department to defray the costs of issuing licenses or
 2 duplicate licenses.

3 (c) (i) If the fee is collected by a county treasurer
 4 or other agent of the department, the amount of 5% of each
 5 motorcycle endorsement must be deposited into the county
 6 general fund.

7 (ii) If the fee is collected by the department, the
 8 amount provided for in subsection (1)(c)(i) must be
 9 deposited into the state special revenue fund for use by the
 10 department to defray the costs of issuing motorcycle
 11 endorsements.

12 (d) The amount of 23 1/3% of each driver's license fee
 13 and of each duplicate driver's license fee and the amount of
 14 35% of each motorcycle endorsement fee must be deposited
 15 into the state traffic education account.

16 (e) The amount of 40% of each driver's license fee and
 17 of each duplicate driver's license fee and the amount of 60%
 18 of each motorcycle endorsement fee must be deposited into
 19 the state general fund.

20 (f) The entire amount of each commercial vehicle
 21 operator's endorsement fee must be deposited into the motor
 22 vehicle-recording--account--established--in--61-3-108 state
 23 general fund.

24 (2) (a) If fees from driver's licenses, commercial
 25 vehicle operator's endorsements, motorcycle endorsements,

1 and duplicate driver's licenses are collected by a county
 2 treasurer or other agent of the department, he shall deposit
 3 the amounts provided for in subsections (1)(b)(i) and
 4 (1)(c)(i) into the county general fund. He shall then remit
 5 to the state treasurer all remaining fees, together with a
 6 statement indicating what portion of each fee is to be
 7 deposited into the Montana highway patrolmen's retirement
 8 pension trust fund, the state traffic education account, and
 9 the state general fund. The state treasurer, upon receipt of
 10 the fees and statement, shall deposit the fees as provided
 11 in subsections (1)(a), (1)(d), (1)(e), and (1)(f).

12 (b) If fees from driver's licenses, commercial vehicle
 13 operator's endorsements, motorcycle endorsements, and
 14 duplicate driver's licenses are collected by the department,
 15 it shall remit all fees to the state treasurer, together
 16 with a statement indicating what portion of each fee is to
 17 be deposited into the Montana highway patrolmen's retirement
 18 pension trust fund, the state special revenue fund, the
 19 state traffic education account, and the state general fund.
 20 The state treasurer, upon receipt of the fees and statement,
 21 shall deposit the fees as provided in subsections (1)(a),
 22 (1)(b)(ii), (1)(c)(ii), (1)(d), (1)(e), and (1)(f)."

23 NEW SECTION. Section 13. Extension of authority. Any
 24 existing authority to make rules on the subject of the
 25 provisions of [this act] is extended to the provisions of

1 [this act].

2 NEW SECTION. Section 14. Code commissioner
 3 instruction. The code commissioner shall change any
 4 reference to the "motor vehicle recording account" in
 5 material enacted by the 51st legislature to the "general
 6 fund".

7 NEW SECTION. Section 15. Effective date. [This act]
 8 is effective July 1, 1989.

-End-

1 *House* BILL NO. *744*
2 INTRODUCED BY *Justin Bonanome*
3 BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE
4
5 A BILL FOR AN ACT ENTITLED: "AN ACT DELETING FROM THE STATE
6 SPECIAL REVENUE FUND THE MOTOR VEHICLE RECORDING ACCOUNT;
7 PROVIDING THAT MONEY FORMERLY DEPOSITED IN THE ACCOUNT BE
8 DEPOSITED IN THE GENERAL FUND; AMENDING SECTIONS 23-2-508,
9 23-2-510, 23-2-611, 23-2-612, 23-2-616, 23-2-619, 61-3-103,
10 61-3-108, 61-3-204, 61-3-321, 61-3-406, AND 61-5-121, MCA;
11 AND PROVIDING AN EFFECTIVE DATE."

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

14 **Section 1.** Section 23-2-508, MCA, is amended to read:

15 "23-2-508. Certificate of ownership. (1) Except as
16 provided in subsection (9), no motorboat or sailboat 12 feet
17 in length or longer may be operated upon the waters of the
18 state unless a certificate of ownership has first been
19 obtained from the department of justice in accordance with
20 the laws of this state.

21 (2) The owner of a motorboat or sailboat 12 feet in
22 length or longer shall apply for a certificate of ownership
23 and a certificate of number with the county treasurer of the
24 county in which the owner resides, upon forms furnished by
25 the department of justice. The forms must require the

1 following information:

- 2 (a) name of the owner;
3 (b) residence of the owner, by town or county;
4 (c) business or home address of the owner;
5 (d) name and address of any lienholder;
6 (e) amount due under any contract or lien;
7 (f) name of the manufacturer;
8 (g) model number or name;
9 (h) identification number;
10 (i) name and address of the dealer or other person
11 from whom acquired, if known; and
12 (j) such other information as the department of
13 justice may require.

14 (3) The application is to be accompanied by
15 documentation of ownership, such as an invoice, bill of
16 sale, foreign title, official certificate of boat number,
17 fee in lieu of tax receipt, or a certificate of ownership of
18 a trailer purchased with the motorboat or sailboat. An
19 applicant who fails to provide such proof of ownership shall
20 provide a certified statement describing how the motorboat
21 or sailboat 12 feet in length or longer was acquired, from
22 whom acquired if known, and other information requested by
23 the department of justice.

24 (4) If a certificate of ownership has previously been
25 issued under the provisions of this part, the application

1 for a new certificate must be accompanied by the immediately
2 previous certificate. This subsection does not apply to
3 motorboats or sailboats 12 feet in length or longer that are
4 purchased as new and unused vessels or that were operated
5 when the provisions of this part were not in force and
6 effect.

7 (5) Any motorboat or sailboat 12 feet in length or
8 longer that does not have a manufacturer's or other
9 identifying number thereon must be assigned an
10 identification number by the department of fish, wildlife,
11 and parks. A fee of \$1 must be paid to the department for an
12 assignment of number.

13 (6) Upon completion of the application, the county
14 treasurer shall issue to the applicant two copies of the
15 certificate of number application, one of which must be
16 marked "file copy". The treasurer shall forward one copy and
17 the original application for a certificate of ownership to
18 the department of justice, which shall enter the information
19 contained in the application upon the corresponding records
20 of its office, and shall furnish the applicant a certificate
21 of ownership containing that information in the application
22 considered necessary by the department and a permanent boat
23 number. The certificate of ownership need not be renewed
24 annually and is valid as long as the person holding it owns
25 the vessel.

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

5 (8) Upon application for a certificate of ownership, a
6 fee of \$6 must be paid to the county treasurer, \$4 of which
7 must be forwarded by the county treasurer to the department
8 of justice and deposited in the motor--vehicle--recording
9 ~~account-of-the-state-special-revenue~~ general fund.

10 (9) A person who, on July 1, 1988, is the owner of a
11 motorboat or sailboat 12 feet in length or longer with a
12 valid certificate of number issued by the state is not
13 required to file an application for a certificate of
14 ownership for the motorboat or sailboat unless he transfers
15 a part of his interest in the motorboat or sailboat or he
16 renews the certificate of number for the motorboat or
17 sailboat."

18 **Section 2.** Section 23-2-510, MCA, is amended to read:

19 **"23-2-510. Transfer of interest.** (1) Except as
20 provided in subsection (3), upon a transfer of a certificate
21 of ownership to a motorboat or sailboat 12 feet in length or
22 longer registered as required under the provisions of this
23 part, the person whose title or interest is to be
24 transferred shall sign the certificate of ownership issued
25 for the motorboat or sailboat in the appropriate space

1 provided on the reverse side of the certificate, and such
2 signature must be acknowledged before a notary public.

3 (2) Within 20 calendar days thereafter, the transferee
4 shall make application for transfer of the certificate of
5 ownership so endorsed with the county treasurer of the
6 county in which the transferee resides and also make
7 application for registration of the motorboat or sailboat.
8 The county treasurer shall forward the application to the
9 department of justice, which shall file the certificate upon
10 receipt. No certificate of ownership may be issued by the
11 department until any outstanding certificate is surrendered
12 to the department or its loss is established to the
13 department's reasonable satisfaction. The county treasurer
14 shall collect a fee of \$6 for each application for transfer
15 of ownership, of which \$4 must be forwarded to the
16 department of justice for deposit in the ~~motor--vehicle~~
17 ~~recording-account-of-the-state-special-revenue~~ general fund.

18 (3) A purchaser of a new or used motorboat or sailboat
19 12 feet in length or longer from a licensed dealer has a
20 grace period of 20 calendar days from the date of purchase
21 to register the motorboat or sailboat, make application for
22 a certificate of ownership, and obtain a decal indicating
23 that the fee in lieu of property tax has been paid on the
24 vessel for the current year. It is not a violation of this
25 part or any other law for the purchaser to operate a newly

1 acquired motorboat or sailboat 12 feet in length or longer
2 without a certificate of ownership certificate of
3 registration, and decal during the 20 day grace period.
4 During this period the sticker provided for in subsection
5 (4) must remain affixed to the motorboat or sailboat.

6 (4) Prior to the delivery of a motorboat or sailboat
7 12 feet in length or longer to the purchaser, the dealer
8 shall issue and affix to a motorboat or sailboat constructed
9 after October 31, 1972, a sticker as prescribed by the
10 department of justice. The sticker must contain the name and
11 address of the purchaser, the date of sale, the name and
12 address of the dealer, and a description of the motorboat or
13 sailboat, including its serial number. The dealer shall keep
14 a copy of the sticker for his records and shall send a copy
15 of the sticker to the department of justice.

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

1 certificate containing notice of a security interest, if
2 any, shall issue a new certificate of ownership, together
3 with a statement of any conditional sales contract,
4 mortgage, or other lien."

5 **Section 3.** Section 23-2-611, MCA, is amended to read:

6 **"23-2-611. Certificate of ownership.** (1) No snowmobile
7 may be operated upon any public lands, trails, easements,
8 lakes, rivers, streams, roadways or shoulders of roadways,
9 streets, or highways, unless a certificate of ownership has
10 first been obtained from the department of justice in
11 accordance with the laws of this state.

12 (2) The owner of a snowmobile shall apply for a
13 certificate of ownership with the county treasurer of the
14 county in which the owner resides, upon forms to be
15 furnished for this purpose. The forms must require the
16 following information:

- 17 (a) name of the owner;
- 18 (b) residence of the owner by town and county;
- 19 (c) business or home mail address of the owner;
- 20 (d) name and address of any lien holder;
- 21 (e) amount due under any contract or lien;
- 22 (f) name of the manufacturer;
- 23 (g) model number or name;
- 24 (h) identification number; and
- 25 (i) name and address of the dealer or other person

1 from whom acquired.

2 (3) The application must be signed by at least one
3 owner or by a properly authorized officer or representative
4 of the owner.

5 (4) If a certificate of ownership has previously been
6 issued under the provisions of 23-2-601 through 23-2-644,
7 the application for a new certificate must be accompanied by
8 the immediately previous certificate. This subsection does
9 not apply to snowmobiles that are purchased as new and
10 unused machines or that were operated when the provisions of
11 23-2-601 through 23-2-644 were not in force and effect.

12 (5) Upon completion of the application on forms
13 furnished by the department of justice, the county treasurer
14 shall issue to the applicant two copies of the application,
15 one of which shall be marked "file copy". The treasurer
16 shall forward one copy and the original application to the
17 department of justice, which shall enter the information
18 contained in the application upon the corresponding records
19 of its office, and shall furnish the applicant a certificate
20 of ownership, which shall contain that information in the
21 application considered necessary by the department of
22 justice, and a permanent ownership number. The certificate
23 of ownership is not to be renewed annually and is valid as
24 long as the person holding it owns the snowmobile.

25 (6) The owner shall at all times retain possession of

1 the certificate of ownership, except when it is being
2 transmitted to and from the department of justice for
3 endorsement or cancellation.

4 (7) Upon application for a certificate of ownership, a
5 fee of \$3 shall be paid to the county treasurer, \$2 of which
6 shall be forwarded by the county treasurer to the department
7 of justice and deposited in the ~~motor--vehicle--recording~~
8 ~~account-of-the-state-special-revenue~~ general fund."

9 **Section 4.** Section 23-2-612, MCA, is amended to read:

10 **"23-2-612. Transfer of interest.** (1) Except as
11 provided in subsection (3), upon a transfer of any
12 certificate of ownership to a snowmobile registered as
13 required under the provisions of 23-2-601 through 23-2-644,
14 the person whose title or interest is to be transferred
15 shall write his signature with pen and ink upon the
16 certificate of ownership issued for the snowmobile in the
17 appropriate space provided upon the reverse side of the
18 certificate, and such signature shall be acknowledged before
19 a notary public.

20 (2) Within 20 calendar days thereafter, the transferee
21 shall make application for transfer of the certificate of
22 ownership so endorsed with the county treasurer of the
23 county in which the transferee resides and also make
24 application for registration of the snowmobile. The county
25 treasurer shall forward the application to the department of

1 justice, which shall file the same upon receipt thereof. No
2 certificate of ownership may be issued by the department of
3 justice until the outstanding certificates are surrendered
4 to that office or their loss established to its reasonable
5 satisfaction. The county treasurer shall collect a fee of \$3
6 for each application for transfer of ownership, of which \$2
7 shall be forwarded to the department of justice for deposit
8 in the ~~motor-vehicle-recording-account-of-the-state--special~~
9 ~~revenue~~ general fund.

10 (3) A purchaser of a new or used snowmobile from a
11 licensed snowmobile dealer has a grace period of 20 calendar
12 days from the date of purchase to register the snowmobile,
13 make application for a certificate of ownership, and obtain
14 a decal indicating that the fee in lieu of property tax has
15 been paid on the snowmobile for the current year. It is not
16 a violation of 23-2-601 through 23-2-644 or any other law
17 for the purchaser to operate a newly acquired snowmobile
18 without a certificate of ownership, certificate of
19 registration, and a decal during the 20-day period. During
20 this period the sticker, provided for in subsection (4),
21 shall remain affixed to the snowmobile.

22 (4) Prior to the delivery of the snowmobile to the
23 purchaser, the dealer shall issue and affix to the
24 snowmobile a sticker (in a form to be prescribed by the
25 department of justice). The sticker shall contain the name

1 and address of the purchaser, the date of sale, the name and
2 address of the dealer, and a description of the snowmobile,
3 including its serial number. The dealer shall keep a copy of
4 the sticker for his records and shall send a copy of the
5 sticker to the department of justice.

6 (5) The provisions of subsection (2) ~~of this section~~
7 do not apply in the event of the transfer of a snowmobile to
8 a duly licensed snowmobile dealer intending to resell the
9 snowmobile and who operates it only for demonstration
10 purposes, but every such dealer, upon transferring such
11 interest, shall deliver the certificate of ownership with an
12 application for a new certificate executed by the new owner
13 in accordance with the provisions of 23-2-601 through
14 23-2-644. The department of justice, upon receipt of the
15 certificate of ownership and application for a new
16 certificate, containing notice of a security interest, if
17 any, shall issue a new certificate of ownership together
18 with a statement of any conditional sales contract,
19 mortgage, or other lien."

20 **Section 5.** Section 23-2-616, MCA, is amended to read:

21 "23-2-616. Registration and decals -- application and
22 issuance -- use of certain fees. (1) No snowmobile may be
23 operated on public lands by any person in Montana unless it
24 has been registered and there is displayed in a conspicuous
25 place on both sides of the cowl a decal as visual proof that

1 the fee in lieu of property tax has been paid on it for the
2 current year and the immediately previous year as required
3 by 15-16-202.

4 (2) Application for registration shall be made to the
5 county treasurer upon forms to be furnished by the
6 department of justice for this purpose, which may be
7 obtained at the county treasurer's office in the county
8 where the owner resides. The application shall contain the
9 following information:

- 10 (a) name and address of the owner;
- 11 (b) certificate of ownership number;
- 12 (c) make of the snowmobile;
- 13 (d) model name of the snowmobile;
- 14 (e) year of manufacture;
- 15 (f) a statement evidencing payment of the fee in lieu
16 of property tax as required by 15-16-202; and
- 17 (g) such other information as the department of
18 justice may require.

19 (3) The application shall be accompanied by a decal
20 fee of \$2, a registration fee of 50 cents, and, if the
21 snowmobile has previously been registered, by the
22 registration certificate for the most recent year in which
23 the snowmobile was registered. The treasurer shall sign the
24 application and issue a registration receipt which shall
25 contain information considered necessary by the department

1 of justice and a listing of fees paid. The owner shall
2 retain possession of the registration receipt until it is
3 surrendered to the county treasurer for reregistration or to
4 a purchaser or subsequent owner pursuant to a transfer of
5 ownership.

6 (4) The county treasurer shall forward the signed
7 application to the department of justice and shall issue to
8 the applicant a decal in the style and design prescribed by
9 the department of justice and of a different color than the
10 preceding year, numbered in sequence.

11 (5) The county treasurer may not accept any
12 application under this section until the applicant has paid
13 the decal and registration fees and the fee in lieu of
14 property tax on the snowmobile for the current year and the
15 immediately previous year as required by 15-16-202.

16 (6) All money collected from payment of the decal fees
17 and all interest accruing from use of this money shall be
18 forwarded to the state treasurer and placed in the state
19 special revenue fund to the credit of the department, with
20 \$1 designated for use in enforcing the purposes of 23-2-601
21 through 23-2-644 and \$1 designated for use in the
22 development, maintenance, and operation of snowmobile
23 facilities. All money collected from payment of the
24 registration fee shall be forwarded to the state treasurer
25 and deposited in the motor-vehicle-recording-account-of--the

1 ~~state-special-revenue~~ general fund.

2 (7) The county treasurer shall credit all fees in lieu
3 of tax collected on snowmobiles to the county motor vehicle
4 suspense fund provided for in 61-3-509."

5 **Section 6.** Section 23-2-619, MCA, is amended to read:

6 "**23-2-619. Dealer registration certificate -- use of**
7 **fees.** (1) A dealer registration certificate shall be issued
8 in accordance with 23-2-601 through 23-2-644.

9 (2) The dealer application shall be accompanied by an
10 application fee of \$5 and a registration fee of \$5. Upon
11 receipt of the dealer application and payment of fees, the
12 dealer shall be issued two dealer snowmobile identification
13 cards which shall be carried by the dealer or the dealer's
14 customer when demonstrating the dealer's snowmobiles.

15 (3) No bond is required of the dealer.

16 (4) The dealer shall have a principal place of
17 business where he shall maintain all his business records
18 and display and sell merchandise.

19 (5) An applicant for renewal of a snowmobile dealer
20 registration shall certify that he has sold 3 or more
21 snowmobiles during the preceding year or pay an additional
22 \$50 renewal registration fee or provide a copy of a written
23 new snowmobile franchise or sales agreement that the
24 applicant has with a manufacturer, importer, or distributor.

25 (6) Additional dealer snowmobile identification cards

1 as required by need justified to the department of justice
2 may be purchased by the dealer for a fee of \$2.

3 (7) Dealer registration certificates and
4 identification cards expire on June 30 following the date of
5 issuance.

6 (8) (a) The dealer application fees and all interest
7 accruing from use of this money shall be deposited in the
8 state special revenue fund to the credit of the department,
9 with one-half designated for use in enforcing the purposes
10 of 23-2-601 through 23-2-644 and one-half designated for use
11 in the development, maintenance, and operation of snowmobile
12 facilities.

13 (b) All money collected from dealer registration and
14 renewal registration fees shall be deposited in the motor
15 ~~vehicle-recording--account--of--the--state--special--revenue~~
16 general fund."

17 **Section 7.** 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 \$4 must be paid to the department to file
25 any security interest or other lien against a motor vehicle.

The \$4 fee shall include and cover the cost of filing a satisfaction or release of the security interest and also the cost of entering such satisfaction or release on the records of the department and deleting the endorsement of the security interest from the face of the certificate of ownership. A fee of \$4 must be paid the department for issuing a certified copy of a certificate of ownership subject to a security interest or other lien on file in the office of the department, or for filing an assignment of any security interest or other lien on file with the department. All fees provided for in this section must be paid to the county treasurer for deposit in the ~~motor-vehicle--recording account--of--the~~ state ~~special--revenue~~ general fund in accordance with 15-1-504."

Section 8. Section 61-3-108, MCA, is amended to read:

"61-3-108. Disposition of fees ---use. (1) All fees payable to the department under this title, unless otherwise provided, shall be deposited in a--motor--vehicle--recording account-of the state-special-revenue general fund.

(2)--Funds--deposited--in--the--motor-vehicle-recording account-of-the-state-special-revenue-fund--may--be--expended for-the-following-purposes:

(a)--to---pay---the--salaries--and--operating--expenses associated---with---performing--duties---under---this---title, including-the-manufacture-and-delivery-of-license-plates;

(b)--to--fund--the--forensic--science--activities-of-the department-of-justice;

(c)--to-fund-the-Montana-law-enforcement academy;

(d)--to-fund-the-law-enforcement-teletype-system-of-the department-of-justice;

(e)--to--fund--the--Montana--criminal--law--information center--to--the--extent--that--all-of-the-above-programs-have been-previously-funded-and-funds-remain-available."

Section 9. 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 \$3. Revenue from this fee must be deposited in the ~~motor-vehicle recording--account--of--the--state--special--revenue~~ general fund."

Section 10. Section 61-3-321, MCA, is amended to read:

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

(a) motor vehicles weighing 2,850 pounds or under

1 (other than motortrucks), \$5;
 2 (b) motor vehicles weighing over 2,850 pounds (other
 3 than motortrucks), \$10;
 4 (c) electrically driven passenger vehicles, \$10;
 5 (d) all motorcycles and quadricycles, \$2;
 6 (e) tractors and/or trucks, \$10;
 7 (f) buses shall be classed as motortrucks and licensed
 8 accordingly;
 9 (g) trailers and semitrailers less than 2,500 pounds
 10 maximum gross loaded weight and housetrailer of all
 11 weights, \$2;
 12 (h) trailers and semitrailers over 2,500 up to 6,000
 13 pounds maximum gross loaded weight (except housetrailer),
 14 \$5;
 15 (i) trailers and semitrailers over 6,000 pounds
 16 maximum gross loaded weight, \$10;
 17 (j) trailers used exclusively in the transportation of
 18 logs in the forest or in the transportation of oil and gas
 19 well machinery, road machinery, or bridge materials, new and
 20 secondhand, shall pay a fee of \$15 annually, regardless of
 21 size or capacity.
 22 (2) All rates shall be 25% higher for motor vehicles,
 23 trailers, and semitrailers not equipped with pneumatic
 24 tires.
 25 (3) "Tractor", as specified in this section, means any

1 motor vehicle except passenger cars used for towing a
 2 trailer or semitrailer.

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

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

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

19 (7) The provisions of this section relating to the
 20 payment of registration fees do not apply when number plates
 21 are transferred to a replacement vehicle under 61-3-317,
 22 61-3-332(7), or 61-3-335."

23 **Section 11.** Section 61-3-406, MCA, is amended to read:
 24 "61-3-406. Fees for personalized plates --
 25 disposition. In addition to all other fees and taxes imposed

by law, the applicant for a personalized license plate shall pay a fee of \$20 for the original personalized license plate and a fee of \$5 for each transfer or renewal thereof. All revenue derived from the fee as provided herein shall be deposited in the ~~motor--vehicle--recording-account-of-the~~ state-special-revenue general fund."

Section 12. Section 61-5-121, MCA, is amended to read:

"61-5-121. **Disposition of fees.** (1) The disposition of the fees from driver's licenses provided for in 61-5-111(7)(a), motorcycle endorsements provided for in 61-5-111(7)(b), commercial vehicle operator's endorsements provided for in 61-5-111(7)(c), and duplicate driver's licenses provided for in 61-5-114 is as follows:

(a) The amount of 33 1/3% of each driver's license fee and of each duplicate driver's license fee must be deposited into the Montana highway patrolmen's retirement pension trust fund.

(b) (i) If the fees are collected by a county treasurer or other agent of the department, the amount of 3 1/3% of each driver's license fee and of each duplicate driver's license fee must be deposited into the county general fund.

(ii) If the fees are collected by the department, the amount provided for in subsection (1)(b)(i) must be deposited into the state special revenue fund for use by the

department to defray the costs of issuing licenses or duplicate licenses.

(c) (i) If the fee is collected by a county treasurer or other agent of the department, the amount of 5% of each motorcycle endorsement must be deposited into the county general fund.

(ii) If the fee is collected by the department, the amount provided for in subsection (1)(c)(i) must be deposited into the state special revenue fund for use by the department to defray the costs of issuing motorcycle endorsements.

(d) The amount of 23 1/3% of each driver's license fee and of each duplicate driver's license fee and the amount of 35% of each motorcycle endorsement fee must be deposited into the state traffic education account.

(e) The amount of 40% of each driver's license fee and of each duplicate driver's license fee and the amount of 60% of each motorcycle endorsement fee must be deposited into the state general fund.

(f) The entire amount of each commercial vehicle operator's endorsement fee must be deposited into the ~~motor vehicle-recording--account--established--in--61-3-108~~ state general fund.

(2) (a) If fees from driver's licenses, commercial vehicle operator's endorsements, motorcycle endorsements,

1 and duplicate driver's licenses are collected by a county
 2 treasurer or other agent of the department, he shall deposit
 3 the amounts provided for in subsections (1)(b)(i) and
 4 (1)(c)(i) into the county general fund. He shall then remit
 5 to the state treasurer all remaining fees, together with a
 6 statement indicating what portion of each fee is to be
 7 deposited into the Montana highway patrolmen's retirement
 8 pension trust fund, the state traffic education account, and
 9 the state general fund. The state treasurer, upon receipt of
 10 the fees and statement, shall deposit the fees as provided
 11 in subsections (1)(a), (1)(d), (1)(e), and (1)(f).

12 (b) If fees from driver's licenses, commercial vehicle
 13 operator's endorsements, motorcycle endorsements, and
 14 duplicate driver's licenses are collected by the department,
 15 it shall remit all fees to the state treasurer, together
 16 with a statement indicating what portion of each fee is to
 17 be deposited into the Montana highway patrolmen's retirement
 18 pension trust fund, the state special revenue fund, the
 19 state traffic education account, and the state general fund.
 20 The state treasurer, upon receipt of the fees and statement,
 21 shall deposit the fees as provided in subsections (1)(a),
 22 (1)(b)(ii), (1)(c)(ii), (1)(d), (1)(e), and (1)(f)."

23 NEW SECTION. Section 13. Extension of authority. Any
 24 existing authority to make rules on the subject of the
 25 provisions of [this act] is extended to the provisions of

1 [this act].

2 NEW SECTION. Section 14. Code commissioner
 3 instruction. The code commissioner shall change any
 4 reference to the "motor vehicle recording account" in
 5 material enacted by the 51st legislature to the "general
 6 fund".

7 NEW SECTION. Section 15. Effective date. [This act]
 8 is effective July 1, 1989.

-End-

1 HOUSE BILL NO. 744

2 INTRODUCED BY QUILICI, BARDANOUVE

3 BY REQUEST OF THE HOUSE APPROPRIATIONS COMMITTEE

4

5 A BILL FOR AN ACT ENTITLED: "AN ACT DELETING FROM THE STATE
6 SPECIAL REVENUE FUND THE MOTOR VEHICLE RECORDING ACCOUNT;
7 PROVIDING THAT MONEY FORMERLY DEPOSITED IN THE ACCOUNT BE
8 DEPOSITED IN THE GENERAL FUND; AMENDING SECTIONS 23-2-508,
9 23-2-510, 23-2-611, 23-2-612, 23-2-616, 23-2-619, 61-3-103,
10 61-3-108, 61-3-204, 61-3-321, 61-3-406, AND 61-5-121, MCA;
11 AND PROVIDING AN EFFECTIVE DATE."

12

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

14 **Section 1.** Section 23-2-508, MCA, is amended to read:

15 "23-2-508. Certificate of ownership. (1) Except as
16 provided in subsection (9), no motorboat or sailboat 12 feet
17 in length or longer may be operated upon the waters of the
18 state unless a certificate of ownership has first been
19 obtained from the department of justice in accordance with
20 the laws of this state.

21 (2) The owner of a motorboat or sailboat 12 feet in
22 length or longer shall apply for a certificate of ownership
23 and a certificate of number with the county treasurer of the
24 county in which the owner resides, upon forms furnished by
25 the department of justice. The forms must require the

THERE HAS BEEN NO CHANGE ON HB 744 and will
not be reprinted. Please refer to any previous
version of the bill for complete text.

REFERENCE BILL

HB 744

