

SENATE BILL NO. 319

INTRODUCED BY SONJU, ARNTZEN, HOLLENBAUGH, LAVIN

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A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING MOTOR VEHICLE LAWS RELATED TO THE USE OF AUTHORIZED AGENTS IN THE PROCESSING OF VEHICLE TITLES, REGISTRATION, AND LICENSING; AMENDING SECTIONS ~~15-1-504~~, 61-3-116, 61-3-205, 61-3-211, 61-3-225, 61-3-303, 61-3-311, 61-3-331, 61-3-338, 61-3-414, 61-3-415, 61-3-465, 61-3-467, 61-3-480, 61-4-111, AND 61-4-112, MCA; AND PROVIDING AN EFFECTIVE DATE."

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

~~Section 1.~~ Section 15-1-504, MCA, is amended to read:

~~"15-1-504. Settlement of county treasurer with department. (1) Except as provided in subsections (2) and (3), the county treasurer, between the 1st and 20th days of each month, shall remit to the department all money belonging to the state that was collected by the county treasurer during the preceding month. The remittance must be accompanied by a detailed report upon a form that the department prescribes. The department may assess counties an interest charge of 10% a year on all money not remitted within 5 days from the time required by this section.~~

~~(2) By June 20 of each year, the county treasurer shall remit to the department an estimate of all money belonging to the state that was collected by the county treasurer by June 15, in addition to the amount collected during the preceding month. By July 15, the county treasurer shall remit all money belonging to the state that was collected by the county treasurer during the remainder of June.~~

~~(3) Beginning July 1, 2006, the The county treasurer and each authorized agent, as defined in 61-1-101, shall remit to the department of justice by the 20th of each month all state money that was collected by the county treasurer or authorized agent due to motor vehicle, vessel, and snowmobile transactions during the preceding month. The remittance must be accompanied by a detailed report upon a form prescribed by the department of justice. The department may assess counties and authorized agents an interest charge, at the rate of 10% a year, on all money that is not remitted by the prescribed time."~~

SECTION 1. SECTION 61-3-116, MCA, IS AMENDED TO READ:



1 **"61-3-116. Services that may be performed by authorized agent.** (1) The department may authorize
2 a person to perform, on the department's behalf, specific motor vehicle titling, registration, or driver licensing
3 functions assigned to or administered by the department under this title. The authorization must be evidenced
4 by an authorized agent agreement.

5 (2) An authorized agent must meet all of the requirements established by the department.

6 (3) An authorized agent shall, within the time period prescribed in the authorized agent agreement,
7 submit to the department or its designee all statutorily prescribed fees, taxes, or penalties the authorized agent
8 collects.

9 (4) (a) Except when specifically prohibited by statute or the authorized agent agreement, in addition to
10 statutorily prescribed fees, taxes, and penalties, an authorized agent may collect and retain a reasonable
11 convenience fee for services provided.

12 (b) If an authorized agent is a municipal or county officer, the convenience fee may be charged and
13 collected as permitted under 7-5-2133 or 7-5-4125.

14 (5) The department may provide an automated mechanism to ensure that any statutorily prescribed fee,
15 tax, or penalty collected by an authorized agent or a county treasurer in a county other than the county where
16 the owner of the vehicle is domiciled is transferred to the county treasurer of the county where the owner of a
17 vehicle is domiciled."

18

19 **Section 2.** Section 61-3-205, MCA, is amended to read:

20 **"61-3-205. Transfer of ownership of vehicles by insurance company.** (1) (a) Except as provided in
21 subsection (2), an insurance company or its adjuster that has taken possession of a motor vehicle, trailer,
22 semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile as a result of settling
23 an insurance claim and that transfers ownership of the motor vehicle, trailer, semitrailer, pole trailer, camper,
24 motorboat, personal watercraft, sailboat, or snowmobile shall deliver to the transferee at the time of transfer a
25 certificate of title signed and acknowledged by the registered owner or owners before the county treasurer, a
26 deputy county treasurer, an authorized agent, or a notary public.

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

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

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

11

12 **Section 3.** Section 61-3-211, MCA, is amended to read:

13 **"61-3-211. Surrender of certificate of title -- issuance of salvage certificate -- salvage retitling**
14 **requirements.** (1) An insurer acquiring ownership of a motor vehicle that is less than 15 years of age and that
15 the insurer determines to be a salvage vehicle shall surrender the certificate of title to the department within 15
16 days after acquiring the certificate of title. If the insurer has not sold the salvage vehicle prior to the time of
17 surrendering the certificate of title, the insurer shall apply for a salvage certificate on a form prescribed by the
18 department. If the certificate of title names one or more holders of a perfected security interest in the motor
19 vehicle, the insurer shall secure and deliver to the department or an authorized agent a release from each
20 secured party of the secured interest.

21 (2) Upon receipt of a properly executed certificate of title and a salvage certificate application from an
22 insurer, the department shall issue a salvage certificate to the insurer within 5 working days of the date of receipt
23 of the application. Upon receipt of a salvage certificate issued by the department, an insurer may possess, retain,
24 transport, sell, transfer, or otherwise dispose of the salvage vehicle. The salvage certificate is prima facie
25 evidence of ownership of a salvage vehicle.

26 (3) If the insurer sells a salvage vehicle within the 15-day period established in subsection (1) prior to
27 surrendering the certificate of title, the insurer shall complete a salvage receipt on a form prescribed by the
28 department. The insurer shall deliver the original salvage receipt to the salvage vehicle purchaser only after
29 obtaining a clear title and lien release. Prior to disposing of the salvage vehicle, the salvage vehicle purchaser
30 shall apply for a salvage certificate by completing the salvage receipt and submitting it to the department or an

1 authorized agent. The insurer shall deliver a copy of the salvage receipt with the surrendered certificate of title
2 to the department or an authorized agent. Upon receipt of the certificate of title from the insurer and the
3 application from the salvage vehicle purchaser, the department shall issue a salvage certificate to the salvage
4 vehicle purchaser that is prima facie evidence of ownership.

5 (4) If an insurer determines that a salvage vehicle will remain with the owner after an agreed settlement,
6 the insurer shall notify the department or an authorized agent of the settlement on a form prescribed by the
7 department. Upon receipt of the notice, the department may require the owner to surrender the certificate of title
8 in compliance with this part, regardless of whether ownership of the salvage vehicle was obtained in a jurisdiction
9 not requiring the surrender of the certificate of title or a comparable ownership document.

10 (5) At the time of surrender of a certificate of title for a salvage vehicle not acquired by an insurer, the
11 department shall issue a salvage certificate to the owner. Upon receipt of a salvage certificate issued by the
12 department to a noninsurer, the owner may possess, retain, transport, sell, transfer, or otherwise dispose of the
13 salvage vehicle. A salvage certificate is prima facie evidence of ownership of a salvage vehicle.

14 (6) A fee of \$5 must be paid to the department for the issuance of a salvage certificate. An authorized
15 agent may charge a fee in addition to the \$5 fee payable to the department.

16 (7) A salvage vehicle owned by or in the inventory of a motor vehicle wrecking facility on October 1,
17 1991, is exempt from the provisions of this section if the owner of the facility has complied with the provisions of
18 61-3-225."

19

20 **Section 4.** Section 61-3-225, MCA, is amended to read:

21 **"61-3-225. Motor vehicle wrecking facility quarterly reports.** Quarterly, the owner or operator of a
22 motor vehicle wrecking facility, as defined in 75-10-501, shall ~~not~~ deliver to the department or an authorized
23 agent, on a form approved by the department, a list of all junk vehicles, as defined in 75-10-501, received by the
24 owner or operator of the motor vehicle wrecking facility during the quarter, stating the year, make, and complete
25 identification number of each vehicle. If the owner or operator of a motor vehicle wrecking facility received a
26 certificate of title when the owner or operator of the facility received a junk vehicle on the list, that certificate of
27 title must accompany the list. The department shall issue a receipt for the certificate of title if requested by the
28 owner or operator of the facility, and the receipt may serve as an instrument for reclaiming the certificate of title
29 if the vehicle is rebuilt."

30

1 **Section 5.** Section 61-3-303, MCA, is amended to read:

2 **"61-3-303. Original registration -- process -- fees.** (1) Except as provided in 61-3-324, a Montana
3 resident who owns a motor vehicle, trailer, semitrailer, or pole trailer operated or driven upon the public highways
4 of this state shall register the motor vehicle, trailer, semitrailer, or pole trailer ~~in the office of the county treasurer~~
5 in the county where the owner is domiciled.

6 (2) Except as provided in subsections (3) and (11), the county treasurer or an authorized agent shall
7 register any vehicle for which:

8 (a) as of the date that the motor vehicle, trailer, semitrailer, or pole trailer is to be registered, the owner
9 delivers an application for a certificate of title to the department, its an authorized agent, or a county treasurer;
10 or

11 (b) the county treasurer or an authorized agent confirms that the department has an electronic record
12 of title for the motor vehicle, trailer, semitrailer, or pole trailer as provided under 61-3-101.

13 (3) (a) A county treasurer or an authorized agent may register a motor vehicle, trailer, semitrailer, or pole
14 trailer for which a certificate of title and registration were issued in another jurisdiction and for which registration
15 is required under 61-3-701 after the county treasurer or the authorized agent examines the current
16 out-of-jurisdiction registration certificate or receipt and receives payment of the fees required in 61-3-701. The
17 county treasurer or an authorized agent may ask the motor vehicle, trailer, semitrailer, or pole trailer owner to
18 provide additional information, prescribed by the department, to ensure that the electronic record of registration
19 maintained by the department is complete.

20 (b) A county treasurer or an authorized agent may register a motor vehicle, trailer, semitrailer, or pole
21 trailer for which the new owner cannot, due to circumstances beyond the new owner's control, surrender a
22 previously assigned certificate of title. The new owner may submit an application for certificate of title, subject to
23 the registration renewal limitations of 61-3-312.

24 (4) Upon registering a motor vehicle, trailer, semitrailer, or pole trailer for the first time in this state, the
25 county treasurer or an authorized agent shall:

26 (a) update the electronic record of title, if any, maintained for the vehicle by the department under
27 61-3-101;

28 (b) assign a registration period for the vehicle under 61-3-311;

29 (c) determine the vehicle's age, if required, under 61-3-501;

30 (d) determine the amount of fees, including local option taxes or fees, to be paid under subsection (5);

1 and

2 (e) assign and issue license plates for the vehicle under 61-3-331.

3 (5) Unless otherwise provided by law, a person registering a motor vehicle shall pay to the county
4 treasurer or an authorized agent:

5 (a) the fees in lieu of tax or registration fees as required for:

6 (i) a light vehicle under 61-3-321 or 61-3-562, in addition to, if applicable, any local option tax or fee
7 under 61-3-537 or 61-3-570;

8 (ii) a motor home under 61-3-321;

9 (iii) a travel trailer under 61-3-321;

10 (iv) a motorcycle or quadricycle under 61-3-321;

11 (v) a bus, a truck having a manufacturer's rated capacity of more than 1 ton, or a truck tractor under
12 61-3-321 and 61-3-529; or

13 (vi) a trailer under 61-3-321;

14 (b) a donation of \$1 or more if the person indicates that the person wishes to donate to promote
15 awareness and education efforts for procurement of organ and tissue donations in Montana to favorably impact
16 anatomical gifts; and

17 (c) a donation of \$1 or more if the person indicates that the person wishes to donate to promote
18 education on, support for, and awareness of traumatic brain injury.

19 (6) The county treasurer or an authorized agent may not issue a registration receipt or license plates for
20 the motor vehicle, trailer, semitrailer, or pole trailer to the owner unless the owner makes the payments required
21 by subsection (5).

22 (7) The department may make full and complete investigation of the registration status of the motor
23 vehicle, trailer, semitrailer, or pole trailer. A person seeking to register a motor vehicle, trailer, semitrailer, or pole
24 trailer under this section shall provide additional information to support the registration to the department if
25 requested.

26 (8) Revenue that accrues from the voluntary donation provided in subsection (5)(b) must be forwarded
27 by the respective county treasurer or an authorized agent to the department for deposit in the state special
28 revenue fund to the credit of an account established by the department of public health and human services to
29 support activities related to awareness and education efforts for procurement of organ and tissue donations for
30 anatomical gifts.

1 (9) (a) Except as provided in subsection (9)(b), the fees in lieu of tax, taxes, and fees imposed on or
 2 collected from the registration of a travel trailer, motorcycle, or quadricycle or a trailer, semitrailer, or pole trailer
 3 that has a declared weight of less than 26,000 pounds are required to be paid only once during the time that the
 4 travel trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer is owned by the same person who
 5 registered the travel trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer. Once registered, a travel
 6 trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer is registered permanently unless ownership is
 7 transferred.

8 (b) Whenever ownership of a travel trailer, motorcycle, quadricycle, trailer, semitrailer, or pole trailer is
 9 transferred, the new owner is required to register the travel trailer, motorcycle, quadricycle, trailer, semitrailer,
 10 or pole trailer as if it were being registered for the first time, including paying all of the required fees in lieu of tax,
 11 taxes, and fees.

12 (10) Revenue that accrues from the voluntary donation provided in subsection (5)(c) must be forwarded
 13 by the respective county treasurer or an authorized agent to the department for deposit in the state special
 14 revenue fund to the credit of the account established in 2-15-2218 to support activities related to education
 15 regarding prevention of traumatic brain injury.

16 (11) ~~Beginning January 1, 2013, the~~ The county treasurer or an authorized agent shall use the online
 17 motor vehicle liability insurance verification system provided in 61-6-157 to verify that the vehicle owner has
 18 complied with the requirements of 61-6-301.

19 ~~(12) An authorized agent may charge a fee in addition to the other fees imposed under this section."~~

20

21 **Section 6.** Section 61-3-311, MCA, is amended to read:

22 **"61-3-311. Registration -- time periods.** (1) Unless a motor vehicle, trailer, semitrailer, or pole trailer
 23 is subject to permanent registration under this title and except as provided in 61-3-313, 61-3-701, 61-3-721, and
 24 subsection (3) of this section, the department, an authorized agent, or a county treasurer shall, upon original
 25 registration of a motor vehicle in this state, assign each motor vehicle to a registration period, as provided in
 26 61-3-316, based upon the calendar month in which the motor vehicle is first registered in this state and designate
 27 the calendar year in which the current registration will expire.

28 (2) Each registration period commences on the first day of the calendar month in the calendar year in
 29 which the motor vehicle is registered and the motor vehicle's registration expires on the earlier of:

30 (a) the last day of the month preceding the anniversary of the registration period for the year designated

1 on the motor vehicle's registration decal if the motor vehicle is registered for a minimum 12-month period;

2 (b) the last day of the month preceding the anniversary of the registration period for the year designated
3 on the motor vehicle's registration decal if the motor vehicle is registered for a period of at least 13 but less than
4 25 months; or

5 (c) the transfer of ownership of the motor vehicle, trailer, semitrailer, or pole trailer to another person.

6 (3) (a) Upon request of the motor vehicle owner, a county treasurer or an authorized agent may assign
7 a motor vehicle to a registration period, as provided in 61-3-316, other than a registration period beginning in the
8 calendar month in which the motor vehicle is first registered in this state if at least 13 but less than 25 months will
9 elapse between the first day of the calendar month in which the motor vehicle is registered and the last day of
10 the month preceding the anniversary of the requested registration period in the year designated on the motor
11 vehicle's registration decal.

12 (b) ~~(f)~~ The county treasurer or an authorized agent shall determine fees imposed for a motor vehicle
13 registered for a period between 13 and 24 months. All registration fees, fees in lieu of tax, or local option taxes
14 or fees that are imposed on an annual basis must be prorated based on the number of months in the requested
15 registration period.

16 ~~(ii) An authorized agent may charge a fee in addition to the fees referred to in subsection (3)(b)(i).~~

17 (c) A motor vehicle registered under the provisions of 61-3-303(3)(b) may not be registered under this
18 subsection (3).

19 (4) If a motor vehicle, trailer, semitrailer, or pole trailer is permanently registered under the provisions
20 of this chapter, the registration is not subject to expiration unless the registered owner of the motor vehicle, trailer,
21 semitrailer, or pole trailer transfers ownership of the vehicle to another person."
22

23 **Section 7.** Section 61-3-331, MCA, is amended to read:

24 **"61-3-331. Assignment of license plates.** The county treasurer or an authorized agent shall, at the time
25 of issuing a registration receipt under 61-3-322, assign the motor vehicle, trailer, semitrailer, or pole trailer a
26 distinctive license plate number and, unless the license plates must be specially ordered from the department,
27 deliver to the applicant, depending on the type of motor vehicle that was registered, a set of two license plates
28 or one license plate, each of which must bear the assigned distinctive number."
29

30 **Section 8.** Section 61-3-338, MCA, is amended to read:

1 **"61-3-338. Contract for manufacture and distribution of license plates.** (1) The department shall
 2 contract with Montana correctional enterprises for the manufacture, inventory control, storage, and distribution
 3 of all license plates issued under this chapter.

4 (2) The contract must include provisions for payment to Montana correctional enterprises after license
 5 plates are shipped to the department, the office of a county treasurer, an authorized agent, or a vehicle owner,
 6 as directed by the department or at the request of a vehicle owner.

7 (3) The contract must require Montana correctional enterprises to provide the necessary interface to
 8 support the automated ordering of license plates by the department or as directed by the department and to
 9 acquire and use readability software to assess any new plate design or manufactured plate and, if requested by
 10 the department, any previously issued license plates."
 11

12 **Section 9.** Section 61-3-414, MCA, is amended to read:

13 **"61-3-414. Special motorcycle license plates for military personnel, veterans, and spouses --**
 14 **department to design -- fees -- disposition.** (1) The department shall design and issue motorcycle license
 15 plates for all special military and veteran license plates provided for in 61-3-458(2)(d) and (3).

16 (2) A person requesting a special military or veteran motorcycle license plate under this section:

17 (a) is subject to the eligibility requirements for the license plate as provided in 61-3-458; and

18 (b) shall pay to the county treasurer or an authorized agent:

19 (i) an administrative fee of \$5 upon issuance of the motorcycle license plate, to be deposited in the
 20 county general fund;

21 (ii) a \$5 license plate fee, to be deposited in the state general fund; and

22 (iii) a \$10 veterans' cemetery fee, to be deposited as provided in 61-3-459(2).

23 (3) Upon request, after paying the fees imposed under subsection (2)(b) and any applicable vehicle
 24 registration fees under this chapter, the surviving spouse of an eligible veteran, if the spouse has not remarried,
 25 may retain the special license plates issued to the deceased veteran, subject to the eligibility requirements for
 26 the plate as provided in 61-3-458(4)."
 27

28 **Section 10.** Section 61-3-415, MCA, is amended to read:

29 **"61-3-415. Special motorcycle license plates -- department to design -- fees -- distribution.** (1) A
 30 Montana resident who is the owner of a motorcycle or quadricycle titled and registered under this chapter and

1 who pays the fee required under subsection (2) may be issued a special motorcycle license plate bearing a
2 design created by the department. The design must recognize the efforts of one or more Montana-based nonprofit
3 organizations that grant wishes to chronically or critically ill Montana children.

4 (2) A person requesting a special motorcycle license plate under this section shall pay to the county
5 treasurer or an authorized agent:

6 (a) an administrative fee of \$5 upon issuance of the special license plate, to be deposited in the county
7 general fund;

8 (b) a \$5 license plate fee; and

9 (c) a donation fee of \$20.

10 (3) The county treasurer or an authorized agent shall remit the fees required in subsections (2)(b) and
11 (2)(c) to the department. For each special plate issued, the department shall deposit \$5 in the state general fund
12 and \$20 in an account in the state special revenue fund to be used by the department as provided in subsection
13 (4).

14 (4) The department shall use the money deposited in the account in the state special revenue fund as
15 provided in subsection (3) to provide grants, using criteria established by the department, to Montana-based
16 nonprofit organizations that grant wishes to Montana children who are chronically or critically ill.

17 (5) The department shall adopt rules to identify the entity or entities that may qualify for grants under this
18 section and to establish the criteria that an entity must meet to receive grant funds.

19 (6) The account in the state special revenue fund provided for in subsection (3) is statutorily appropriated
20 to the department, as provided in 17-7-502."

21

22 **Section 11.** Section 61-3-465, MCA, is amended to read:

23 **"61-3-465. Issuance -- application -- additional fee -- disposition.** (1) The department shall issue or
24 renew collegiate license plates upon receipt of an application that shows:

25 (a) compliance with 61-3-303, 61-3-311, and 61-3-312; and

26 (b) payment to the county treasurer or an authorized agent of:

27 (i) an initial application and manufacturing fee of \$10, when required; and

28 (ii) an annual scholarship donation of \$30 for the benefit of the institution named in the application.

29 (2) Once each month, the county treasurer ~~and each authorized agent~~ shall, as provided in 15-1-504,
30 transfer to the state the total of the amounts collected for:

- 1 (a) the initial application and manufacturing fee for deposit in the state general fund; and
 2 (b) scholarship donations provided for in subsection (1)(b)(ii), along with a schedule showing the number
 3 of collegiate license plates issued and the total donations received for the benefit of each institution.

4 (3) Once each month, an amount equal to the total donations credited to that institution and transferred
 5 to the state by the county treasurers ~~and authorized agents~~ during the preceding month must be distributed to
 6 the student academic scholarship fund or foundation of each institution.

7 (4) The amount of \$8 of the fee imposed in subsection (1)(b)(i) must be deposited in the account
 8 established in 61-6-158, and \$2 of the fee must be deposited in the state general fund."

9

10 **Section 12.** Section 61-3-467, MCA, is amended to read:

11 **"61-3-467. Authorization to receive and transmit donations.** As provided in 61-3-465 and
 12 notwithstanding any other provisions of Title 7, Title 17, or this title:

13 (1) the county treasurer or an authorized agent must receive the annual scholarship donations provided
 14 for in 61-3-465 and ~~once each month transmit, as provided in 15-1-504, those donations to the state~~ TRANSMIT
 15 THE DONATIONS TO THE STATE AS PROVIDED IN 15-1-504 OR 61-3-116; and

16 (2) the appropriate agency shall accept the annual scholarship donations and once each month distribute
 17 the accumulated proceeds to the beneficiary institutions specified by and according to the totals contained in the
 18 county treasurers' and authorized agents' reports."

19

20 **Section 13.** Section 61-3-480, MCA, is amended to read:

21 **"61-3-480. Fees for generic specialty license plates -- disposition.** (1) In addition to the other fees
 22 and taxes imposed by law, an eligible person who applies for a generic specialty license plate shall pay an
 23 administrative fee of \$20 and, except as provided in 61-3-479(1)(b), the donation fee specified by the sponsor.

24 (2) The county treasurer or an authorized agent shall, upon receipt of the fees:

25 (a) deposit \$5 of the \$20 administrative fee in the county general fund;

26 (b) notwithstanding any other provisions of Title 7, Title 17, or this title and unless otherwise provided
 27 in 61-3-479(1)(b), accept the donation fee paid by the plate purchaser; and

28 (c) as provided in 15-1-504, once each month, transmit to the state for distribution:

29 (i) \$10 of the \$20 administrative fee for deposit in the account provided in 61-6-158;

30 (ii) \$5 of the administrative fee to the state general fund; and

1 (iii) all donation fees provided for in subsections (1) and (3), along with a schedule showing the number
2 and type of generic specialty license plates issued and total donations received for the benefit of each sponsor
3 of a generic specialty license plate issued or renewed, to each respective sponsor.

4 (3) If the donation fee is required by a sponsor upon renewal of generic specialty license plates, the fee
5 must be paid to the county treasurer or an authorized agent upon renewal of registration and transmitted to the
6 state as prescribed in subsection (2).

7 (4) Once each month, the state shall distribute to the generic specialty license plate liaison designated
8 by a sponsor under 61-3-475(1)(c) or 61-3-476(1)(c) an amount equal to the total donations credited to that
9 sponsor and transferred to the department of revenue by the county treasurers during the preceding month."
10

11 **Section 14.** Section 61-4-111, MCA, is amended to read:

12 **"61-4-111. Used vehicles -- transfer to and from dealers.** (1) Except as provided in 61-4-124(6), a
13 dealer or wholesaler who intends to resell a used motor vehicle, power sports vehicle, or trailer and who operates
14 the motor vehicle, power sports vehicle, or trailer only for demonstration purposes:

15 (a) is exempt from registration under 23-2-515, 23-2-616, 23-2-804, or 61-3-302(3) when applying for
16 a certificate of title; and

17 (b) may transfer or receive ownership of a motor vehicle, power sports vehicle, or trailer by use of a
18 dealer reassignment section on a certificate of title. However, when the allotted number of dealer reassignment
19 sections on a certificate of title has been completed, ownership of the motor vehicle, power sports vehicle, or
20 trailer may not be transferred until an application for a certificate of title has been submitted by the dealer or an
21 authorized agent to an authorized agent or the department and a new certificate of title has been issued.

22 (2) Upon the transfer of a used motor vehicle, power sports vehicle, or trailer to a person other than a
23 dealer or wholesaler, a temporary registration permit may be issued under 61-3-224 to the person to whom the
24 used motor vehicle, power sports vehicle, or trailer was transferred if the dealer is an authorized agent, as defined
25 in 61-1-101. In addition, the following acts are required of the dealer on or before the times set forth in this
26 subsection:

27 (a) Within 30 calendar days following the date of delivery of the motor vehicle, power sports vehicle, or
28 trailer, the dealer shall forward to an authorized agent or to the county treasurer of the county where the owner
29 of the motor vehicle, power sports vehicle, or trailer is domiciled:

30 (i) the assigned certificate of title or, if a certificate of title for the motor vehicle, power sports vehicle, or

1 trailer has not been issued in this state, a copy of the then-current registration receipt or certificate in the dealer's
2 possession; and

3 (ii) an application for a certificate of title executed by the new owner in accordance with the provisions
4 of 61-3-216 and 61-3-220.

5 (b) Transmission of the documents by the dealer to the county treasurer or an authorized agent may be
6 accomplished either by personal delivery, by first-class mail, or by electronic means, as authorized by the
7 department.

8 (c) If the dealer is unable to forward the certificate of title or, if applicable, registration receipt within the
9 time set forth in subsection (2)(a) because the certificate of title is lost, is in the possession of third parties, or is
10 in the process of reissuance in this state or elsewhere, the dealer shall comply in all other respects with the
11 provisions of subsection (2)(a) and shall forward the missing document or documents to the county treasurer;
12 ~~either personally or by first-class mail,~~ or an authorized agent within 3 days after receipt.

13 (3) Upon compliance by the dealer with the requirements in this section, title to the motor vehicle, power
14 sports vehicle, or trailer is considered to have passed to the purchaser as of the date of the delivery of the motor
15 vehicle, power sports vehicle, or trailer to the purchaser by the dealer, and the dealer has no further liability or
16 responsibility with respect to the processing of registration."
17

18 **Section 15.** Section 61-4-112, MCA, is amended to read:

19 **"61-4-112. New motor vehicles -- transfers by dealers.** (1) When a dealer transfers a new motor
20 vehicle, power sports vehicle, or trailer to a purchaser or other recipient, the dealer shall, within 30 calendar days
21 following the date of delivery of the new motor vehicle, power sports vehicle, or trailer forward to an authorized
22 agent or the county treasurer of the county where the owner of the motor vehicle, power sports vehicle, or trailer
23 is domiciled:

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

26 (b) a manufacturer's certificate of origin that shows that the motor vehicle, power sports vehicle, or trailer
27 has not previously been registered or owned, except as otherwise provided in this section, by any person other
28 than a dealer holding a franchise or distribution agreement from the manufacturer, distributor, or importer of the
29 new motor vehicle, power sports vehicle, or trailer.

30 (2) If the dealer is an authorized agent, ~~as defined in 61-4-101,~~ a temporary registration permit may be

1 issued under 61-3-224 to the person to whom the new motor vehicle, power sports vehicle, or trailer was
2 transferred."

3

4 NEW SECTION. **Section 16. Effective date.** [This act] is effective July 1, 2013.

5

- END -