Assembly Bill No. 176–Assemblymen Allen, Beers, Mabey, Kirkpatrick, Atkinson, Carpenter, Denis, Goedhart, Goicoechea, Grady, Hardy and Settelmeyer

Joint Sponsors: Senators Care and Titus

CHAPTER.....

AN ACT relating to property; providing for the automatic transfer of ownership of certain vehicles and motorboats to designated beneficiaries on the death of the owner of such a vehicle or motorboat; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for nonprobate transfers of certain property from the owner to a named beneficiary, including, without limitation, nonprobate transfers of registered securities and securities registered in beneficiary form. (NRS 111.480-111.650) **Section 1** of this bill amends chapter 482 of NRS which governs the licensing and registration of motor vehicles to provide that certain owners who hold certificates of title to registered motor vehicles, trailers or semitrailers may apply to the Department of Motor Vehicles for a certificate of title in beneficiary form which directs the Department to transfer the title to the designated beneficiary on the death of the present owner or on the deaths of all joint owners. **Section 1** also provides procedures for obtaining and revoking a certificate of title in beneficiary form. In addition, **section 1** specifies that a transfer of ownership made by a certificate of title in beneficiary form is not subject to the statutes generally governing probate matters.

Section 5 of this bill similarly amends chapter 488 of NRS which governs the licensing and registration of motorboats so that certain owners who hold certificates of ownership to numbered and titled motorboats may apply to the Department of Wildlife for a certificate of ownership in beneficiary form which directs the Department to transfer the ownership to the designated beneficiary on the death of the present owner or on the deaths of all joint owners. **Section 5** also provides procedures for obtaining and revoking a certificate of ownership in beneficiary form. Further, **section 5** exempts transfers made pursuant to such certificates of ownership from the statutes which generally govern probate matters.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The owner or joint owners of a motor vehicle, trailer or semitrailer may request the Department to issue a certificate of title in beneficiary form for the motor vehicle, trailer or semitrailer, as applicable, which includes a directive to the Department to transfer the certificate of title upon the death of the



owner or upon the death of all joint owners to a beneficiary named on the face of the certificate of title.

2. A request made pursuant to subsection 1 must be submitted on an application made available by the Department and accompanied by the fee for the issuance of a certificate of title.

3. A certificate of title in beneficiary form may not be issued to a person who holds his interest in a motor vehicle, trailer or

semitrailer as a tenant in common with another person.

4. A certificate of title in beneficiary form must include after the name of the owner or after the names of joint owners the words "transfer on death to" or the abbreviation "TOD" followed by the name of the beneficiary.

5. During the lifetime of a sole owner or before the death of

the last surviving joint owner:

- (a) The signature or consent of the beneficiary is not required for any transaction relating to a motor vehicle, trailer or semitrailer for which a certificate of title in beneficiary form has been issued; and
- (b) The certificate of title in beneficiary form may be revoked or the beneficiary changed at any time by:
- (1) Sale of the motor vehicle, trailer or semitrailer with proper assignment and delivery of the certificate of title to another person; or
- (2) Filing an application with, and paying a fee to, the Department to reissue the certificate of title with no designation of a beneficiary or with the designation of a different beneficiary.
- 6. The interest of the beneficiary in a motor vehicle, trailer or semitrailer on the death of the sole owner or on the death of the last surviving joint owner is subject to any contract of sale, assignment or ownership or security interest to which the owner or owners of the motor vehicle, trailer or semitrailer were subject during their lifetime.
- 7. Except as otherwise provided in paragraph (b) of subsection 5, the designation of a beneficiary in a certificate of title in beneficiary form may not be changed or revoked by will, any other instrument or a change in circumstances, or otherwise changed or revoked.
 - 8. The Department shall, upon:
- (a) Proof of death of one of the owners, of two or more joint owners or of a sole owner;
- (b) Surrender of the outstanding certificate of title in beneficiary form; and
 - (c) Application and payment of the fee for a certificate of title,



issue a new certificate of title for the motor vehicle, trailer or semitrailer to the surviving owner or owners or, if none, to the beneficiary, subject to any security interest.

9. For the purposes of complying with the provisions of subsection 8, the Department may rely on a death certificate, record or report that constitutes prima facie evidence of death.

- 10. The transfer on death of a motor vehicle, trailer or semitrailer pursuant to this section is not considered as testamentary and is not subject to administration pursuant to the provisions of title 12 of NRS.
 - 11. As used in this section:
- (a) "Beneficiary" means a person or persons designated to become the owner or owners of a motor vehicle, trailer or semitrailer on the death of the preceding owner or owners.
- (b) "Certificate of title in beneficiary form" means a certificate of title of a motor vehicle, trailer or semitrailer that indicates the present owner or owners of the motor vehicle, trailer or semitrailer and designates a beneficiary.
 - **Sec. 2.** NRS 482.245 is hereby amended to read as follows:
- 482.245 1. The certificate of registration must contain upon the face thereof the date issued, the registration number assigned to the vehicle, the name and address of the registered owner, the county where the vehicle is to be based unless it is deemed to have no base, a description of the registered vehicle and such other statement of facts as may be determined by the Department.
- The certificate of title must contain upon the face thereof the date issued, the name and address of the registered owner and the owner or lienholder, if any, a description of the vehicle, any entries required by NRS 482.423 to 482.428, inclusive, a reading of the vehicle's odometer as provided to the Department by the person making the sale or transfer, the word "rebuilt" if it is a rebuilt vehicle, the information required pursuant to subsection 3 of section 1 of this act if the certificate of title is a certificate of title in beneficiary form pursuant to section 1 of this act and such other statement of facts as may be determined by the Department. The reverse side of the certificate of title must contain forms for notice to the Department of a transfer of the title or interest of the owner or lienholder and application for registration by the transferee. If a new certificate of title is issued for a vehicle, it must contain the same information as the replaced certificate, except to the extent that the information has changed after the issuance of the replaced certificate. Except as otherwise required by federal law, the certificate of title of a vehicle which the Department knows to have



been stolen must not contain any statement or other indication that the mileage specified in the certificate or registered on the odometer is anything other than the actual mileage traveled by the vehicle, in the absence of proof that the odometer of the vehicle has been disconnected, reset or altered.

- **Sec. 3.** NRS 482.400 is hereby amended to read as follows:
- 482.400 1. Except as otherwise provided in this subsection and subsections 2, 5 and 6, *and section 1 of this act*, upon a transfer of the title to, or the interest of an owner in, a vehicle registered or issued a certificate of title under the provisions of this chapter, the person or persons whose title or interest is to be transferred and the transferee shall write their signatures with pen and ink upon the certificate of title issued for the vehicle, together with the residence address of the transferee, in the appropriate spaces provided upon the reverse side of the certificate. The Department may, by regulation, prescribe alternative methods by which a signature may be affixed upon a manufacturer's certificate of origin or a manufacturer's statement of origin issued for a vehicle. The alternative methods must ensure the authenticity of the signatures.
- 2. The Department shall provide a form for use by a dealer for the transfer of ownership of a vehicle. The form must be produced in a manner which ensures that the form may not be easily counterfeited. Upon the attachment of the form to a certificate of title issued for a vehicle, the form becomes a part of that certificate of title. The Department may charge a fee not to exceed the cost to provide the form.
- 3. Except as otherwise provided in subsections 4, 5 and 6, the transferee shall immediately apply for registration as provided in NRS 482.215 and shall pay the governmental services taxes due.
- 4. If the transferee is a dealer who intends to resell the vehicle, he is not required to register, pay a transfer or registration fee for, or pay a governmental services tax on the vehicle. When the vehicle is resold, the purchaser shall apply for registration as provided in NRS 482.215 and shall pay the governmental services taxes due.
- 5. If the transferee consigns the vehicle to a wholesale vehicle auctioneer:
- (a) The transferee shall, within 30 days after that consignment, provide the wholesale vehicle auctioneer with the certificate of title for the vehicle, executed as required by subsection 1, and any other documents necessary to obtain another certificate of title for the vehicle.
- (b) The wholesale vehicle auctioneer shall be deemed a transferee of the vehicle for the purposes of subsection 4. The



wholesale vehicle auctioneer is not required to comply with subsection 1 if he:

- (1) Does not take an ownership interest in the vehicle;
- (2) Auctions the vehicle to a vehicle dealer or automobile wrecker who is licensed as such in this or any other state; and
- (3) Stamps his name, his identification number as a vehicle dealer and the date of the auction on the certificate of title and the bill of sale and any other documents of transfer for the vehicle.
- 6. A charitable organization which intends to sell a vehicle which has been donated to the organization must deliver immediately to the Department or its agent the certificate of registration and the license plate or plates for the vehicle, if the license plate or plates have not been removed from the vehicle. The charitable organization must not be required to register, pay a transfer or registration fee for, or pay a governmental services tax on the vehicle. When the vehicle is sold by the charitable organization, the purchaser shall apply for registration as provided in NRS 482.215 and pay the governmental services taxes due.
- 7. As used in this section, "wholesale vehicle auctioneer" means a dealer who:
- (a) Is engaged in the business of auctioning consigned motor vehicles to vehicle dealers or automobile wreckers, or both, who are licensed as such in this or any other state; and
- (b) Does not in the ordinary course of his business buy, sell or own the vehicles he auctions.
 - **Sec. 4.** NRS 482.420 is hereby amended to read as follows:
- 482.420 1. Except as *otherwise* provided in subsection 2, in the event of the transfer by operation of law of the title or interest of an owner in and to a vehicle as upon inheritance, devise or bequest, order in bankruptcy or insolvency, execution sale, repossession upon default in performing the terms of a lease or executory sales contract, *transfer on death pursuant to section 1 of this act*, or otherwise, the registration thereof [shall expire] expires and the vehicle [shall] must not be operated upon the highways until and unless the person entitled thereto shall apply for and obtain the registration thereof.
- 2. An administrator, executor, trustee or other representative of the owner, or a sheriff or other officer, or any person repossessing the vehicle under the terms of a conditional sales contract, lease [,] or other security agreement, or the assignee or legal representative of any such person, may operate or cause to be operated any vehicle upon the highways for a distance [of not exceeding] not to exceed 75 miles from the place of repossession or place where formerly



kept by the owner to a garage, warehouse or other place of keeping or storage, either upon displaying upon such vehicle the number plate issued to the former owner or without a number plate attached thereto but under written permission first obtained from the Department or the local police authorities having jurisdiction over such highways, and upon displaying in plain sight a placard bearing the name and address of the person authorizing and directing such movement and plainly readable from a distance of 100 feet during daylight.

- **Sec. 5.** Chapter 488 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The owner or joint owners of a motorboat may request the Department to issue a certificate of ownership in beneficiary form for the motorboat which includes a directive to the Department to transfer the certificate of ownership upon the death of the owner or upon the death of all joint owners to a beneficiary named on the face of the certificate of ownership.
- 2. A request made pursuant to subsection 1 must be submitted on an application made available by the Department and accompanied by the fee for the issuance of a certificate of ownership.
- 3. A certificate of ownership in beneficiary form may not be issued to a person who holds his interest in a motorboat as a tenant in common with another person.
- 4. A certificate of ownership in beneficiary form must include after the name of the owner, or after the names of joint owners, the words "transfer on death to" or the abbreviation "TOD" followed by the name of the beneficiary.
- 5. During the lifetime of a sole owner or before the death of the last surviving joint owner:
- (a) The signature or consent of the beneficiary is not required for any transaction relating to a motorboat for which a certificate of ownership in beneficiary form has been issued; and
- (b) The certificate of ownership in beneficiary form may be revoked or the beneficiary changed at any time by:
- (1) Sale of the motorboat with proper assignment and delivery of the certificate of ownership to another person; or
- (2) Filing an application with, and paying a fee to, the Department to reissue the certificate of ownership with no designation of a beneficiary or with the designation of a different beneficiary.
- 6. The interest of the beneficiary in a motorboat on the death of the sole owner or on the death of the last surviving joint owner



is subject to any contract of sale, assignment or ownership or security interest to which the owner or owners of the motorboat were subject during their lifetime.

- 7. Except as otherwise provided in paragraph (b) of subsection 5, the designation of a beneficiary in a certificate of ownership in beneficiary form may not be changed or revoked by will, any other instrument or a change in circumstances, or otherwise changed or revoked.
 - 8. The Department shall, upon:
- (a) Proof of death of one of the owners, of two or more joint owners or of a sole owner;
- (b) Surrender of the outstanding certificate of ownership in beneficiary form; and
- (c) Application and payment of the fee for a certificate of ownership.
- issue a new certificate of ownership for the motorboat to the surviving owner or owners or, if none, to the beneficiary, subject to any security interest.
- 9. For the purposes of complying with the provisions of subsection 8, the Department may rely on a death certificate, record or report that constitutes prima facie evidence of death.
- 10. The transfer on death of a motorboat pursuant to this section is not considered as testamentary and is not subject to administration pursuant to the provisions of title 12 of NRS.
 - 11. As used in this section:
- (a) "Beneficiary" means a person or persons designated to become the owner or owners of a motorboat on the death of the preceding owner or owners.
- (b) "Certificate of ownership in beneficiary form" means a certificate of ownership of a motorboat that indicates the present owner or owners of the motorboat and designates a beneficiary.
 - **Sec. 6.** NRS 488.1793 is hereby amended to read as follows:
- 488.1793 Except as otherwise provided for the creation or transfer of a security interest [] or the transfer on death of a certificate of ownership pursuant to section 5 of this act, no transfer of title to or any interest in any motorboat required to be numbered under this chapter is effective until one of the following conditions is fulfilled:
- 1. The transferor has properly endorsed and delivered the certificate of ownership and has delivered the certificate of number to the transferee as provided in this chapter, and the transferee has, within the prescribed time, delivered the documents to the



Department or placed them in the United States mail addressed to the Department with the transfer fee.

- 2. The transferor has delivered to the Department or placed in the United States mail addressed to the Department the appropriate documents for the transfer of ownership pursuant to the sale or transfer.
 - **Sec. 7.** NRS 488.1801 is hereby amended to read as follows:
- 488.1801 [Any] Except for transfers to a beneficiary pursuant to the provisions of section 5 of this act, any owner of any motorboat numbered under this chapter who sells or transfers his title or any interest in the motorboat shall within 10 days notify the Department of the sale or transfer and furnish the following information:
 - 1. The name and address of the legal owner and transferee; and
- 2. Such description of the motorboat as may be required by the Department.
 - **Sec. 8.** NRS 488.1807 is hereby amended to read as follows:
- 488.1807 [Upon] Except for transfers to a beneficiary pursuant to the provisions of section 5 of this act, upon transfer of the title or any interest of any legal owner in any motorboat numbered under this chapter, the transferor shall write his signature, and the transferee shall write his signature and address, in the appropriate spaces provided upon the reverse side of the certificate of ownership issued for such motorboat.
 - **Sec. 9.** This act becomes effective on January 31, 2008.



