

ASSEMBLY BILL NO. 176—ASSEMBLYMEN ALLEN, BEERS, MABEY,
KIRKPATRICK, ATKINSON, CARPENTER, DENIS, GOEDHART,
GOICOECHEA, GRADY, HARDY AND SETTELMAYER

FEBRUARY 26, 2007

JOINT SPONSORS: SENATORS CARE AND TITUS

Referred to Committee on Transportation

SUMMARY—Provides for the automatic transfer of ownership of certain vehicles and motorboats to the designated beneficiary on the death of the owner. (BDR 43-425)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION — Matter in **bolded italics** is new; matter between brackets ~~omitted material~~ is material to be omitted.

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



17 Wildlife for a certificate of ownership in beneficiary form which directs the
18 Department to transfer the ownership to the designated beneficiary on the death of
19 the present owner or on the deaths of all joint owners. **Section 5** also provides
20 procedures for obtaining and revoking a certificate of ownership in beneficiary
21 form. Further, **section 5** exempts transfers made pursuant to such certificates of
22 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:

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

3 1. *The owner or joint owners of a motor vehicle, trailer or*
4 *semitrailer may request the Department to issue a certificate of*
5 *title in beneficiary form for the motor vehicle, trailer or*
6 *semitrailer, as applicable, which includes a directive to the*
7 *Department to transfer the certificate of title upon the death of the*
8 *owner or upon the death of all joint owners to a beneficiary named*
9 *on the face of the certificate of title.*

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

13 3. *A certificate of title in beneficiary form may not be issued*
14 *to a person who holds his interest in a motor vehicle, trailer or*
15 *semitrailer as a tenant in common with another person.*

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

20 5. *During the lifetime of a sole owner or before the death of*
21 *the last surviving joint owner:*

22 (a) *The signature or consent of the beneficiary is not required*
23 *for any transaction relating to a motor vehicle, trailer or*
24 *semitrailer for which a certificate of title in beneficiary form has*
25 *been issued; and*

26 (b) *The certificate of title in beneficiary form may be revoked*
27 *or the beneficiary changed at any time by:*

28 (1) *Sale of the motor vehicle, trailer or semitrailer with*
29 *proper assignment and delivery of the certificate of title to another*
30 *person; or*

31 (2) *Filing an application with, and paying a fee to, the*
32 *Department to reissue the certificate of title with no designation of*
33 *a beneficiary or with the designation of a different beneficiary.*

34 6. *The interest of the beneficiary in a motor vehicle, trailer or*
35 *semitrailer on the death of the sole owner or on the death of the*



1 *last surviving joint owner is subject to any contract of sale,*
2 *assignment or ownership or security interest to which the owner or*
3 *owners of the motor vehicle, trailer or semitrailer were subject*
4 *during their lifetime.*

5 7. *Except as otherwise provided in paragraph (b) of*
6 *subsection 5, the designation of a beneficiary in a certificate of*
7 *title in beneficiary form may not be changed or revoked by will,*
8 *any other instrument or a change in circumstances, or otherwise*
9 *changed or revoked.*

10 8. *The Department shall, upon:*

11 (a) *Proof of death of one of the owners, of two or more joint*
12 *owners or of a sole owner;*

13 (b) *Surrender of the outstanding certificate of title in*
14 *beneficiary form; and*

15 (c) *Application and payment of the fee for a certificate of title,*
16 *↪ issue a new certificate of title for the motor vehicle, trailer or*
17 *semitrailer to the surviving owner or owners or, if none, to the*
18 *beneficiary, subject to any security interest.*

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

22 10. *The transfer on death of a motor vehicle, trailer or*
23 *semitrailer pursuant to this section is not considered as*
24 *testamentary and is not subject to administration pursuant to the*
25 *provisions of title 12 of NRS.*

26 11. *As used in this section:*

27 (a) *“Beneficiary” means a person or persons designated to*
28 *become the owner or owners of a motor vehicle, trailer or*
29 *semitrailer on the death of the preceding owner or owners.*

30 (b) *“Certificate of title in beneficiary form” means a certificate*
31 *of title of a motor vehicle, trailer or semitrailer that indicates the*
32 *present owner or owners of the motor vehicle, trailer or semitrailer*
33 *and designates a beneficiary.*

34 **Sec. 2.** *NRS 482.245 is hereby amended to read as follows:*

35 482.245 1. *The certificate of registration must contain upon*
36 *the face thereof the date issued, the registration number assigned to*
37 *the vehicle, the name and address of the registered owner, the*
38 *county where the vehicle is to be based unless it is deemed to have*
39 *no base, a description of the registered vehicle and such other*
40 *statement of facts as may be determined by the Department.*

41 2. *The certificate of title must contain upon the face thereof the*
42 *date issued, the name and address of the registered owner and the*
43 *owner or lienholder, if any, a description of the vehicle, any entries*
44 *required by NRS 482.423 to 482.428, inclusive, a reading of the*
45 *vehicle’s odometer as provided to the Department by the person*



1 making the sale or transfer, the word "rebuilt" if it is a rebuilt
2 vehicle , *the information required pursuant to subsection 3 of*
3 *section 1 of this act if the certificate of title is a certificate of title*
4 *in beneficiary form pursuant to section 1 of this act* and such other
5 statement of facts as may be determined by the Department. The
6 reverse side of the certificate of title must contain forms for notice
7 to the Department of a transfer of the title or interest of the owner or
8 lienholder and application for registration by the transferee. If a new
9 certificate of title is issued for a vehicle, it must contain the same
10 information as the replaced certificate, except to the extent that the
11 information has changed after the issuance of the replaced
12 certificate. Except as otherwise required by federal law, the
13 certificate of title of a vehicle which the Department knows to have
14 been stolen must not contain any statement or other indication that
15 the mileage specified in the certificate or registered on the odometer
16 is anything other than the actual mileage traveled by the vehicle, in
17 the absence of proof that the odometer of the vehicle has been
18 disconnected, reset or altered.

19 **Sec. 3.** NRS 482.400 is hereby amended to read as follows:

20 482.400 1. Except as otherwise provided in this subsection
21 and subsections 2, 5 and 6, *and section 1 of this act*, upon a transfer
22 of the title to, or the interest of an owner in, a vehicle registered or
23 issued a certificate of title under the provisions of this chapter, the
24 person or persons whose title or interest is to be transferred and
25 the transferee shall write their signatures with pen and ink upon the
26 certificate of title issued for the vehicle, together with the residence
27 address of the transferee, in the appropriate spaces provided upon
28 the reverse side of the certificate. The Department may, by
29 regulation, prescribe alternative methods by which a signature may
30 be affixed upon a manufacturer's certificate of origin or a
31 manufacturer's statement of origin issued for a vehicle. The
32 alternative methods must ensure the authenticity of the signatures.

33 2. The Department shall provide a form for use by a dealer for
34 the transfer of ownership of a vehicle. The form must be produced
35 in a manner which ensures that the form may not be easily
36 counterfeited. Upon the attachment of the form to a certificate of
37 title issued for a vehicle, the form becomes a part of that certificate
38 of title. The Department may charge a fee not to exceed the cost to
39 provide the form.

40 3. Except as otherwise provided in subsections 4, 5 and 6, the
41 transferee shall immediately apply for registration as provided in
42 NRS 482.215 and shall pay the governmental services taxes due.

43 4. If the transferee is a dealer who intends to resell the vehicle,
44 he is not required to register, pay a transfer or registration fee for, or
45 pay a governmental services tax on the vehicle. When the vehicle is



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1 resold, the purchaser shall apply for registration as provided in NRS
2 482.215 and shall pay the governmental services taxes due.

3 5. If the transferee consigns the vehicle to a wholesale vehicle
4 auctioneer:

5 (a) The transferee shall, within 30 days after that consignment,
6 provide the wholesale vehicle auctioneer with the certificate of title
7 for the vehicle, executed as required by subsection 1, and any other
8 documents necessary to obtain another certificate of title for the
9 vehicle.

10 (b) The wholesale vehicle auctioneer shall be deemed a
11 transferee of the vehicle for the purposes of subsection 4. The
12 wholesale vehicle auctioneer is not required to comply with
13 subsection 1 if he:

14 (1) Does not take an ownership interest in the vehicle;

15 (2) Auctions the vehicle to a vehicle dealer or automobile
16 wrecker who is licensed as such in this or any other state; and

17 (3) Stamps his name, his identification number as a vehicle
18 dealer and the date of the auction on the certificate of title and the
19 bill of sale and any other documents of transfer for the vehicle.

20 6. A charitable organization which intends to sell a vehicle
21 which has been donated to the organization must deliver
22 immediately to the Department or its agent the certificate of
23 registration and the license plate or plates for the vehicle, if the
24 license plate or plates have not been removed from the vehicle. The
25 charitable organization must not be required to register, pay a
26 transfer or registration fee for, or pay a governmental services tax on
27 the vehicle. When the vehicle is sold by the charitable organization,
28 the purchaser shall apply for registration as provided in NRS
29 482.215 and pay the governmental services taxes due.

30 7. As used in this section, "wholesale vehicle auctioneer"
31 means a dealer who:

32 (a) Is engaged in the business of auctioning consigned motor
33 vehicles to vehicle dealers or automobile wreckers, or both, who are
34 licensed as such in this or any other state; and

35 (b) Does not in the ordinary course of his business buy, sell or
36 own the vehicles he auctions.

37 **Sec. 4.** NRS 482.420 is hereby amended to read as follows:

38 482.420 1. Except as *otherwise* provided in subsection 2, in
39 the event of the transfer by operation of law of the title or interest of
40 an owner in and to a vehicle as upon inheritance, devise or bequest,
41 order in bankruptcy or insolvency, execution sale, repossession
42 upon default in performing the terms of a lease or executory sales
43 contract, *transfer on death pursuant to section 1 of this act*, or
44 otherwise, the registration thereof ~~shall expire~~ *expires* and the
45 vehicle ~~shall~~ *must* not be operated upon the highways until and



1 unless the person entitled thereto shall apply for and obtain the
2 registration thereof.

3 2. An administrator, executor, trustee or other representative of
4 the owner, or a sheriff or other officer, or any person repossessing
5 the vehicle under the terms of a conditional sales contract, lease ~~H~~
6 or other security agreement, or the assignee or legal representative
7 of any such person, may operate or cause to be operated any vehicle
8 upon the highways for a distance ~~[of not exceeding]~~ **not to exceed**
9 75 miles from the place of repossession or place where formerly
10 kept by the owner to a garage, warehouse or other place of keeping
11 or storage, either upon displaying upon such vehicle the number
12 plate issued to the former owner or without a number plate attached
13 thereto but under written permission first obtained from the
14 Department or the local police authorities having jurisdiction over
15 such highways, and upon displaying in plain sight a placard bearing
16 the name and address of the person authorizing and directing such
17 movement and plainly readable from a distance of 100 feet during
18 daylight.

19 **Sec. 5.** Chapter 488 of NRS is hereby amended by adding
20 thereto a new section to read as follows:

21 ***1. The owner or joint owners of a motorboat may request the***
22 ***Department to issue a certificate of ownership in beneficiary form***
23 ***for the motorboat which includes a directive to the Department to***
24 ***transfer the certificate of ownership upon the death of the owner***
25 ***or upon the death of all joint owners to a beneficiary named on***
26 ***the face of the certificate of ownership.***

27 ***2. A request made pursuant to subsection 1 must be submitted***
28 ***on an application made available by the Department and***
29 ***accompanied by the fee for the issuance of a certificate of***
30 ***ownership.***

31 ***3. A certificate of ownership in beneficiary form may not be***
32 ***issued to a person who holds his interest in a motorboat as a***
33 ***tenant in common with another person.***

34 ***4. A certificate of ownership in beneficiary form must include***
35 ***after the name of the owner, or after the names of joint owners,***
36 ***the words "transfer on death to" or the abbreviation "TOD"***
37 ***followed by the name of the beneficiary.***

38 ***5. During the lifetime of a sole owner or before the death of***
39 ***the last surviving joint owner:***

40 ***(a) The signature or consent of the beneficiary is not required***
41 ***for any transaction relating to a motorboat for which a certificate***
42 ***of ownership in beneficiary form has been issued; and***

43 ***(b) The certificate of ownership in beneficiary form may be***
44 ***revoked or the beneficiary changed at any time by:***



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(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



1 numbered under this chapter is effective until one of the following
2 conditions is fulfilled:

3 1. The transferor has properly endorsed and delivered the
4 certificate of ownership and has delivered the certificate of number
5 to the transferee as provided in this chapter, and the transferee has,
6 within the prescribed time, delivered the documents to the
7 Department or placed them in the United States mail addressed to
8 the Department with the transfer fee.

9 2. The transferor has delivered to the Department or placed in
10 the United States mail addressed to the Department the appropriate
11 documents for the transfer of ownership pursuant to the sale or
12 transfer.

13 **Sec. 7.** NRS 488.1801 is hereby amended to read as follows:

14 488.1801 ~~Any~~ *Except for transfers to a beneficiary*
15 *pursuant to the provisions of section 5 of this act, any* owner of
16 any motorboat numbered under this chapter who sells or transfers
17 his title or any interest in the motorboat shall within 10 days notify
18 the Department of the sale or transfer and furnish the following
19 information:

20 1. The name and address of the legal owner and transferee; and

21 2. Such description of the motorboat as may be required by the
22 Department.

23 **Sec. 8.** NRS 488.1807 is hereby amended to read as follows:

24 488.1807 ~~Upon~~ *Except for transfers to a beneficiary*
25 *pursuant to the provisions of section 5 of this act, upon* transfer of
26 the title or any interest of any legal owner in any motorboat
27 numbered under this chapter, the transferor shall write his signature,
28 and the transferee shall write his signature and address, in the
29 appropriate spaces provided upon the reverse side of the certificate
30 of ownership issued for such motorboat.

31 **Sec. 9.** This act becomes effective on January 31, 2008.

