



AN ACT ALLOWING FOR AN ELECTRONIC ODOMETER STATEMENT WHEN TRANSFERRING VEHICLE OWNERSHIP; ELIMINATING THE REQUIREMENT THAT A MANUFACTURER'S CERTIFICATE OF ORIGIN BE SUBMITTED WITH AN APPLICATION FOR A VEHICLE TITLE; AND AMENDING SECTIONS 61-3-206, 61-3-216, 61-3-509, AND 61-4-104, MCA.

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

**Section 1.** Section 61-3-206, MCA, is amended to read:

**"61-3-206. Odometer disclosure requirements on transfer of vehicle -- dealer to preserve record.**

(1) Except as provided in subsection ~~(3)~~ (4), before executing any transfer of ownership document relating to a motor vehicle, each seller of a motor vehicle shall record on the certificate of title the odometer reading at the time of transfer or, if the certificate of title does not provide for the recording of the odometer reading, furnish to the purchaser a written statement ~~that is, to be~~ signed by the seller, ~~who shall also print the seller's name on the written statement,~~ and that contains the following information:

- (a) the odometer reading at the time of transfer;
- (b) the date of transfer;
- (c) the seller's name and current address;
- (d) the purchaser's name and current address;
- (e) the motor vehicle year, make, model, body style, and identification number;
- (f) one of the following statements or certification:
  - (i) a certification by the seller that, to the best of the seller's knowledge, the odometer reading reflects the actual miles or kilometers the vehicle has been driven;
  - (ii) if the seller knows that the odometer reading reflects the amount of mileage in excess of the designed mechanical odometer limit of 99,999 miles or kilometers, the seller shall include a statement to that effect; or
  - (iii) if the seller knows that the odometer reading differs from the number of miles or kilometers the motor vehicle has actually traveled and that the difference is greater than that caused by odometer calibration error, the

seller shall include a statement that the odometer reading is not the actual mileage and should not be relied upon.

(2) The purchaser shall acknowledge receipt of the disclosure statement by signing it ~~and printing the purchaser's name on the disclosure statement.~~

(3) For the purposes of this section, an odometer disclosure statement may be executed in electronic form and used with an electronic signature pursuant to Title 30, chapter 18, part 1.

~~(3)~~(4) The seller of the following types of motor vehicles need not disclose the odometer reading of the vehicle as required in subsection (1):

- (a) a motor vehicle that is 10 years old or older;
- (b) a vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, or sailboat that is not self-propelled;
- (c) a new motor vehicle transferred between dealers or wholesalers prior to its first retail sale, unless the motor vehicle has been used as a demonstrator;
- (d) a motor vehicle having a gross weight rating of more than 16,000 pounds; or
- (e) a motor vehicle sold directly by the manufacturer to an agency of the United States.

~~(4)~~(5) A dealer, an auto auction, or a wholesaler licensed under chapter 4 of this title shall create a record of the information required in subsection (1) and shall maintain and preserve that record for at least 5 years after the date of sale of the motor vehicle to which the information pertains."

**Section 2.** Section 61-3-216, MCA, is amended to read:

**"61-3-216. Certificates of title -- application -- contents -- issuance.** (1) The owner of a motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle shall apply for a certificate of title on a form prescribed by the department or, if authorized by the department, in an electronic record provided by the department and made available to an authorized agent of the department or a county treasurer.

(2) The application for a certificate of title, upon completion, must include:

- (a) the owner's name, Montana residence and, if different, mailing address, and customer identification number;
- (b) a description of the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, including, as available and pertinent to the vehicle:

(i) the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle make, model, manufacturer's designated model year of manufacture, vehicle identification number, and type of body and a description of motive power;

(ii) the odometer reading, if applicable, at the time of transfer of ownership;

(iii) the gross vehicle weight rating, gross vehicle weight, or shipping weight, if applicable, as determined by the manufacturer;

(iv) whether the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle was new or used at the time of transfer; and

(v) for a trailer operating intrastate, its declared weight;

(c) the date on which the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle was purchased by or was transferred to the applicant, the name and address of the person from whom the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle was acquired, and the names and addresses of any secured parties or lienholders for whom the applicant is acknowledging a voluntary security interest;

(d) any other information that the department requires to identify the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle and to enable the department to determine whether the owner is entitled to a certificate of title and to determine the existence of security interests in the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle;

(e) if applicable, an odometer statement containing the information required in 61-3-206 or, if the title does not contain a space for the information, a separate document approved by the department that provides the same information that is required in 61-3-206; and

(f) a section that gives the applicant the option to direct the department, upon examination and review of the records and completion of the application process, to:

(i) issue a certificate of title as soon as possible; or

(ii) update the electronic record of title for the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, issue a transaction summary receipt, and postpone the issuance of a certificate of a title until the motor vehicle, trailer, semitrailer,

pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle owner submits a separate request for issuance of the certificate of title.

(3) ~~If the application is~~ The department may require a manufacturer's certificate of origin to be submitted with an application for a certificate of title to a new motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, ~~the application must be accompanied by a manufacturer's certificate of origin, properly assigned to the applicant.~~

(4) Except as provided in 61-3-208 or subsection (4)(b) of this section, if the application is for a certificate of title to a used motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle, the application must be:

- (a) accompanied by a certificate of title that is properly assigned by the prior owner to the applicant; or
- (b) acknowledged by the prior owner if the prior owner's interest in the motor vehicle, trailer, semitrailer, pole trailer, travel trailer, camper, motorboat, personal watercraft, sailboat, snowmobile, or off-highway vehicle was assigned to the applicant by means of a transfer on the electronic record of title entered by an authorized agent of the department or a county treasurer.

(5) If the application is for a certificate of title to a camper and if a certificate of title properly assigned by the prior owner is not available, the application must be accompanied by a notarized bill of sale or a conditional sales contract.

(6) If the application is for a certificate of title to a motorboat, a personal watercraft, a sailboat that is 12 feet in length or longer, or a snowmobile and a certificate of title properly assigned by the prior owner is not available, the application must be accompanied by a notarized bill of sale, an invoice, the current registration receipt for the motorboat, personal watercraft, sailboat, or snowmobile, or a certificate of number showing the transfer of ownership, which may be used to show the transfer of ownership for a motorboat, personal watercraft, sailboat, or snowmobile from the immediate prior owner to the applicant."

**Section 3.** Section 61-3-509, MCA, is amended to read:

**"61-3-509. Disposition of fees -- responsibility for dishonored payments.** (1) All registration fees imposed by 61-3-321 on light vehicles, motor homes, motorcycles, quadricycles, buses, motor vehicles having a manufacturer's rated capacity of more than 1 ton, and truck tractors for which a license is sought ~~and an original application for title that includes a manufacturer's statement of origin is made~~ must be remitted to the state as

provided in 15-1-504 every 30 days. The payments must be deposited in the state general fund.

(2) (a) The department, its authorized agent, or a county treasurer is responsible for pursuing remedies available under 27-1-717 or otherwise provided by law when a check, draft, converted check, electronic funds transfer, or order for the payment of money is dishonored:

(i) for lack of funds or credit;

(ii) because the issuer does not have an account with the entity from which the funds are to be drawn;

or

(iii) because the issuer stops payment with the intent to defraud the payee of the check or the payee named on the issued check, draft, converted check, electronic funds transfer, or order for the payment of money.

(b) Once fees have been remitted to the state under this section, adjustments may be made only for dishonored instruments if less than 1 year has elapsed from the date of remittance."

**Section 4.** Section 61-4-104, MCA, is amended to read:

**"61-4-104. Record of purchase or sale.** (1) (a) A dealer, wholesaler, or auto auction licensed under this part shall keep a book or record of the purchases, sales or exchanges, or receipts for the purpose of sale of used vehicles and a description of the vehicles, together with the date of purchase, sale, or consignment and the name and address of:

(i) the person from whom the dealer or wholesaler acquired the vehicle's ownership or, if consigned, possessory interest in the vehicle;

(ii) the person to whom the dealer, wholesaler, or auto auction assigned the vehicle; and

(iii) a secured party with a perfected security interest in the vehicle to which the dealer's, wholesaler's, or auto auction's interest is subordinate, if any.

(b) The vehicle description must also include the vehicle identification number and engine number, if any, and must include a statement that a number has been obliterated, defaced, or changed if that has occurred. In the case of a trailer, semitrailer, pole trailer, or special mobile equipment, the record must include the manufacturer's number and other numbers or identification marks that appear on the trailer, semitrailer, pole trailer, or special mobile equipment.

(2) The dealer, wholesaler, or auto auction must also have an assigned certificate of ownership or certificate of title from the owner of the motor vehicle, power sports vehicle, or trailer to the dealer, wholesaler,

or auto auction from the time the motor vehicle is delivered to the dealer, wholesaler, or auto auction until it has been disposed of by the dealer, wholesaler, or auto auction. It is a violation of this part for a dealer, wholesaler, or auto auction to fail to take assignment of all certificates of ownership, certificates of title, or manufacturer's certificates of origin for motor vehicles acquired by the licensee or to fail to assign the certificate of ownership, certificate of title, or manufacturer's certificate of origin for motor vehicles sold.

(3) All records required to be kept in accordance with this section, in addition to the required retention of odometer disclosure information under 61-3-206(4)(5), must be physically located and maintained within the building referred to in 61-4-101. An authorized representative of the department, upon presentation of the representative's credentials, may inspect and have access to and copy any records required under this chapter."

- END -

I hereby certify that the within bill,  
HB 0573, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2015.

HOUSE BILL NO. 573  
INTRODUCED BY S. LAVIN

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