

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-1002.01 Richard Sweetman x4333

HOUSE BILL 17-1213

HOUSE SPONSORSHIP

Van Winkle,

SENATE SPONSORSHIP

(None),

House Committees

Transportation & Energy

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE TRANSFER OF A VEHICLE TITLE UPON THE DEATH OF
102 THE VEHICLE'S OWNER.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Under current law, the department of revenue (department) makes available a beneficiary designation form that allows the owner or joint owners of a vehicle to arrange for the transfer of the vehicle's title to a named beneficiary upon the death of the owner, or of the last surviving joint owner, of the vehicle. The bill adds language stating that:

! The division of motor vehicles within the department,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

rather than the department itself, shall administer the process;

! The personal representative of the estate of a deceased vehicle owner is not liable for obtaining a new certificate of title or for transferring title to the vehicle if the personal representative does not have actual knowledge of the existence of a valid, unrevoked beneficiary designation form; and

! A successor of a decedent or person acting on behalf of the successor is not liable for obtaining a new certificate of title or transferring title to the vehicle by an affidavit if the person does not have actual knowledge of the existence of a valid, unrevoked beneficiary designation form.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 42-6-110.5, **amend**
3 (1)(a) introductory portion, (1)(b), (2)(a) introductory portion, (2)(b), (6),
4 and (7)(a); and **add** (2.4), (2.6), (7)(c), (7)(d), (7)(e), and (7)(f) as
5 follows:

6 **42-6-110.5. Certificates of title - arrangements for transfer of**
7 **title upon death - beneficiary designation forms - definitions.**

8 (1) (a) On and after ~~the effective date of this act, the department~~ AUGUST
9 10, 2016, THE DIVISION shall make available a beneficiary designation
10 form that allows the owner or joint owners of a vehicle to arrange for the
11 transfer of the vehicle's title to a named beneficiary upon the death of the
12 owner or upon the death of all joint owners of the vehicle. At a minimum,
13 the form must include fields for the following information:

14 (b) The ~~department~~ DIVISION shall make beneficiary designation
15 forms available:

16 (I) In each office of the ~~department~~ DIVISION that is open to the
17 public for conducting business relating to motor vehicles and drivers'
18 licenses; and

1 (II) On the ~~department's~~ DIVISION'S public website.

2 (2) (a) Upon the death of the owner, or of the last surviving joint
3 owner, of a vehicle for which a beneficiary designation form has been
4 properly executed and notarized, as described in ~~paragraph (a) of~~
5 ~~subsection (1)~~ SUBSECTION (1)(a) of this section, the beneficiary ~~may~~
6 SHALL present the form to the ~~department~~ DIVISION and request a new title
7 of ownership of the vehicle in the beneficiary's name. The ~~request~~ FORM
8 must be accompanied by:

9 (b) Upon the presentation of a properly executed and notarized
10 beneficiary designation form and accompanying documents, as described
11 in ~~paragraph (a) of this subsection (2), the department~~ SUBSECTION (2)(a)
12 OF THIS SECTION, THE DIVISION, subject to any security interest, shall issue
13 a new certificate of title to the beneficiary. For the purposes of this
14 ~~paragraph (b), the department~~ SUBSECTION (2)(b), THE DIVISION may rely
15 on a death certificate, record, or report that constitutes prima facie
16 evidence of death.

17 (2.4) THE PERSONAL REPRESENTATIVE, AS DEFINED IN SECTION
18 15-10-201 (39), OF THE ESTATE OF A DECEASED VEHICLE OWNER IS NOT
19 LIABLE FOR OBTAINING A NEW CERTIFICATE OF TITLE OR FOR
20 TRANSFERRING TITLE TO THE VEHICLE IF THE PERSONAL REPRESENTATIVE
21 DOES NOT HAVE ACTUAL KNOWLEDGE OF THE EXISTENCE OF A VALID,
22 UNREVOKED BENEFICIARY DESIGNATION FORM.

23 (2.6) A SUCCESSOR, AS DEFINED IN SECTION 15-10-201 (51), OF A
24 DECEDENT, OR A PERSON ACTING ON BEHALF OF A SUCCESSOR, IS NOT
25 LIABLE FOR OBTAINING A NEW CERTIFICATE OF TITLE OR TRANSFERRING
26 TITLE TO THE VEHICLE BY AN AFFIDAVIT EXECUTED IN ACCORDANCE WITH
27 SECTION 15-12-1201 IF THE PERSON DOES NOT HAVE ACTUAL KNOWLEDGE

1 OF THE EXISTENCE OF A VALID, UNREVOKED BENEFICIARY DESIGNATION
2 FORM.

3 (6) The transfer on death of a vehicle pursuant to this section is
4 ~~not considered testamentary and is not subject to the provisions of A~~
5 NONPROBATE TRANSFER PURSUANT TO the "Colorado Probate Code",
6 articles 10 to 17 of title 15. ~~C.R.S.~~

7 (7) As used in this section, unless the context otherwise requires:

8 (a) "Beneficiary" means ~~a person or~~ ONE OR MORE SPECIFICALLY
9 NAMED persons OR ENTITIES designated to ~~become the owner or owners~~
10 ~~of~~ RECEIVE TITLE TO a vehicle upon the death of the preceding owner or
11 joint owners.

12 (c) "DIVISION" MEANS THE DIVISION OF MOTOR VEHICLES IN THE
13 DEPARTMENT OF REVENUE.

14 (d) "JOINT OWNER" MEANS AN INDIVIDUAL WHO OWNS A VEHICLE
15 WITH ONE OR MORE OTHER INDIVIDUALS AS JOINT TENANTS WITH RIGHTS
16 OF SURVIVORSHIP. "JOINT OWNER" DOES NOT INCLUDE AN INDIVIDUAL
17 WHO OWNS A VEHICLE WITH ONE OR MORE OTHER INDIVIDUALS AS
18 TENANTS IN COMMON.

19 (e) "OWNER" MEANS AN INDIVIDUAL WHO OWNS A VEHICLE.

20 (f) "VEHICLE" INCLUDES ANY MOTOR VEHICLE, MOTORCYCLE,
21 MOTOR HOME, TRAILER, OR OTHER ITEM FOR WHICH A CERTIFICATE OF
22 TITLE IS ISSUED BY THE DIVISION.

23 **SECTION 2.** In Colorado Revised Statutes, 15-11-706, **amend**
24 (1) introductory portion as follows:

25 **15-11-706. Nonprobate transfers - deceased beneficiary.**

26 (1) **Definitions.** This section shall not apply to wills; beneficiary deeds;
27 insurance or annuity policies; ~~or~~ pension, profit sharing, retirement, or

1 similar benefit plans; OR A TRANSFER OF A VEHICLE TITLE AS DESCRIBED
2 IN SECTION 42-6-110.5. As used in this section, unless the context
3 otherwise requires:

4 **SECTION 3. Act subject to petition - effective date.** This act
5 takes effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly (August
7 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
8 referendum petition is filed pursuant to section 1 (3) of article V of the
9 state constitution against this act or an item, section, or part of this act
10 within such period, then the act, item, section, or part will not take effect
11 unless approved by the people at the general election to be held in
12 November 2018 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.