

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 16-0534.01 Richard Sweetman x4333

HOUSE BILL 16-1051

HOUSE SPONSORSHIP

Van Winkle,

SENATE SPONSORSHIP

Holbert,

House Committees
Business Affairs and Labor

Senate Committees
Judiciary

A BILL FOR AN ACT

101 **CONCERNING THE ISSUANCE OF BENEFICIARY DESIGNATION FORMS TO**
102 **FACILITATE THE TRANSFER OF OWNERSHIP OF A VEHICLE UPON**
103 **THE DEATH OF AN 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://www.leg.state.co.us/bills summaries>.)

On and after the effective date of the bill, the department of revenue (department) shall make available a beneficiary designation form (form) that allows the owner or joint owners of a vehicle to arrange to transfer ownership of the vehicle to a named beneficiary upon the death of the owner or upon the death of all joint owners of the vehicle. Upon

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.

SENATE
2nd Reading Unamended
March 7, 2016

HOUSE
3rd Reading Unamended
January 28, 2016

HOUSE
2nd Reading Unamended
January 27, 2016

the death of the owner or of the last surviving joint owner, the beneficiary may present the form to the department and request a new title of ownership of the vehicle in the beneficiary's name. The request must be accompanied by:

- ! Proof of the death of the vehicle's owner or proof of the death of the last surviving joint owner of the vehicle; and
- ! The statutory fee for an application for a certificate of title.

Upon the presentation of a properly executed and notarized form and the accompanying documents and fee, the department, subject to any security interest, shall issue a new certificate of title to the beneficiary.

The transfer of ownership of a vehicle via a form is not considered testamentary and is not subject to the provisions of the "Colorado Probate Code".

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 42-6-110.5 as
3 follows:

4 **42-6-110.5. Certificates of title - arrangements for transfer of**
5 **title upon death - beneficiary designation forms - definitions.**

6 (1) (a) ON AND AFTER THE EFFECTIVE DATE OF THIS ACT, THE
7 DEPARTMENT SHALL MAKE AVAILABLE A BENEFICIARY DESIGNATION FORM
8 THAT ALLOWS THE OWNER OR JOINT OWNERS OF A VEHICLE TO ARRANGE
9 FOR THE TRANSFER OF THE VEHICLE'S TITLE TO A NAMED BENEFICIARY
10 UPON THE DEATH OF THE OWNER OR UPON THE DEATH OF ALL JOINT
11 OWNERS OF THE VEHICLE. AT A MINIMUM, THE FORM MUST INCLUDE
12 FIELDS FOR THE FOLLOWING INFORMATION:

13 (I) THE MANUFACTURER, MODEL, YEAR, AND VEHICLE
14 IDENTIFICATION NUMBER OF THE VEHICLE;

15 (II) THE NAME OF THE OWNER OR EVERY JOINT OWNER OF THE
16 VEHICLE;

17 (III) THE WORDS "TRANSFER ON DEATH TO", OR THE
18 ABBREVIATION "TOD", FOLLOWED BY THE NAME OF THE BENEFICIARY;

1 (IV) THE SIGNATURE OF THE OWNER OF THE VEHICLE OR OF EACH
2 JOINT OWNER OF THE VEHICLE; AND

3 (V) THE SIGNATURE AND SEAL OF A REGISTERED NOTARY.

4 (b) THE DEPARTMENT SHALL MAKE BENEFICIARY DESIGNATION
5 FORMS AVAILABLE:

6 (I) IN EACH OFFICE OF THE DEPARTMENT THAT IS OPEN TO THE
7 PUBLIC FOR CONDUCTING BUSINESS RELATING TO MOTOR VEHICLES AND
8 DRIVERS' LICENSES; AND

9 (II) ON THE DEPARTMENT'S PUBLIC WEBSITE.

10 (2) (a) UPON THE DEATH OF THE OWNER, OR OF THE LAST
11 SURVIVING JOINT OWNER, OF A VEHICLE FOR WHICH A BENEFICIARY
12 DESIGNATION FORM HAS BEEN PROPERLY EXECUTED AND NOTARIZED, AS
13 DESCRIBED IN PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION, THE
14 BENEFICIARY MAY PRESENT THE FORM TO THE DEPARTMENT AND REQUEST
15 A NEW TITLE OF OWNERSHIP OF THE VEHICLE IN THE BENEFICIARY'S NAME.
16 THE REQUEST MUST BE ACCOMPANIED BY:

17 (I) PROOF OF THE DEATH OF THE VEHICLE'S OWNER OR PROOF OF
18 THE DEATH OF THE LAST SURVIVING JOINT OWNER OF THE VEHICLE; AND

19 (II) THE FEE FOR AN APPLICATION FOR A CERTIFICATE OF TITLE, AS
20 DESCRIBED IN SECTION 42-6-137 (1).

21 (b) UPON THE PRESENTATION OF A PROPERLY EXECUTED AND
22 NOTARIZED BENEFICIARY DESIGNATION FORM AND ACCOMPANYING
23 DOCUMENTS, AS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (2),
24 THE DEPARTMENT, SUBJECT TO ANY SECURITY INTEREST, SHALL ISSUE A
25 NEW CERTIFICATE OF TITLE TO THE BENEFICIARY. FOR THE PURPOSES OF
26 THIS PARAGRAPH (b), THE DEPARTMENT MAY RELY ON A DEATH
27 CERTIFICATE, RECORD, OR REPORT THAT CONSTITUTES PRIMA FACIE

1 EVIDENCE OF DEATH.

2 (3) DURING THE LIFETIME OF THE OWNER OF A VEHICLE FOR WHICH
3 A BENEFICIARY DESIGNATION FORM HAS BEEN PROPERLY EXECUTED AND
4 NOTARIZED, OR BEFORE THE DEATH OF THE LAST SURVIVING JOINT OWNER
5 OF SUCH A VEHICLE:

6 (a) THE SIGNATURE OR CONSENT OF THE BENEFICIARY IS NOT
7 REQUIRED FOR ANY TRANSACTION RELATING TO THE VEHICLE; AND

8 (b) THE OWNER OR SURVIVING JOINT OWNERS OF THE VEHICLE MAY
9 REVOKE THE BENEFICIARY DESIGNATION FORM OR CHANGE THE
10 BENEFICIARY OF THE BENEFICIARY DESIGNATION FORM AT ANY TIME BY:

11 (I) SELLING THE VEHICLE WITH PROPER ASSIGNMENT AND
12 DELIVERY OF THE CERTIFICATE OF TITLE TO ANOTHER PERSON; OR

13 (II) PROPERLY EXECUTING A SUBSEQUENT BENEFICIARY
14 DESIGNATION FORM THAT DESIGNATES A NEW BENEFICIARY.

15 (4) UPON THE DEATH OF THE OWNER OR UPON THE DEATH OF THE
16 LAST SURVIVING JOINT OWNER OF A VEHICLE FOR WHICH A BENEFICIARY
17 DESIGNATION FORM HAS BEEN PROPERLY EXECUTED AND NOTARIZED, THE
18 INTEREST OF THE BENEFICIARY IN THE VEHICLE IS SUBJECT TO ANY
19 CONTRACT OF SALE, ASSIGNMENT, OR OWNERSHIP OR SECURITY INTEREST
20 TO WHICH THE OWNER OR JOINT OWNERS OF THE VEHICLE WERE SUBJECT
21 DURING THEIR LIFETIME.

22 (5) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF SUBSECTION (3) OF
23 THIS SECTION, THE DESIGNATION OF A BENEFICIARY IN A BENEFICIARY
24 DESIGNATION FORM MAY NOT BE CHANGED OR REVOKED BY WILL OR BY
25 ANY OTHER INSTRUMENT OR BY A CHANGE IN CIRCUMSTANCES.

26 (6) THE TRANSFER ON DEATH OF A VEHICLE PURSUANT TO THIS
27 SECTION IS NOT CONSIDERED TESTAMENTARY AND IS NOT SUBJECT TO THE

1 PROVISIONS OF THE "COLORADO PROBATE CODE", ARTICLES 10 TO 17 OF
2 TITLE 15, C.R.S.

3 (7) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
4 REQUIRES:

5 (a) "BENEFICIARY" MEANS A PERSON OR PERSONS DESIGNATED TO
6 BECOME THE OWNER OR OWNERS OF A VEHICLE UPON THE DEATH OF THE
7 PRECEDING OWNER OR JOINT OWNERS.

8 (b) "BENEFICIARY DESIGNATION FORM" MEANS A FORM THAT
9 INDICATES THE INTENTION OF A PRESENT OWNER OR JOINT OWNERS OF A
10 VEHICLE TO TRANSFER OWNERSHIP OF THE VEHICLE TO A NAMED
11 BENEFICIARY UPON THE DEATH OF THE OWNER OR LAST SURVIVING JOINT
12 OWNER OF THE VEHICLE.

13 **SECTION 2. Act subject to petition - effective date.** This act
14 takes effect at 12:01 a.m. on the day following the expiration of the
15 ninety-day period after final adjournment of the general assembly (August
16 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
17 referendum petition is filed pursuant to section 1 (3) of article V of the
18 state constitution against this act or an item, section, or part of this act
19 within such period, then the act, item, section, or part will not take effect
20 unless approved by the people at the general election to be held in
21 November 2016 and, in such case, will take effect on the date of the
22 official declaration of the vote thereon by the governor.