

**Amendment - 1st Reading-white - Requested by: Shelley Vance - (S) Highways and Transportation**

- 2025

69th Legislature 2025

Drafter: Rebecca Brown,

SB0380.001.001

SENATE BILL NO. 380

INTRODUCED BY S. VANCE

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING LAWS RELATED TO MOTOR VEHICLES; INCLUDING THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN A LIST OF UNITED STATES TERRITORIES ISSUING DRIVER'S LICENSES AND OTHER IDENTIFICATIONS; REVISING DISABILITY PARKING PERMIT APPLICATION REQUIREMENTS; REVISING DEFINITIONS; REVISING VEHICLE TITLE LAWS; REVISING VEHICLE REGISTRATION LAWS; ALLOWING THE DEPARTMENT AND CERTAIN APPLICANTS TO CONDUCT MORE BUSINESS ELECTRONICALLY; REORGANIZING DEFINITIONS IN TITLE 61, CHAPTER 3, PART 4, MCA; REVISING LICENSE PLATE LAWS; REVISING THE MINIMUM AGE FOR A DRIVER'S LICENSE; REVISING CERTAIN EXPIRATIONS FOR COMMERCIAL DRIVER'S LICENSES; REVISING STATUTES FOR THE CANCELLATION OF LICENSES; PROVIDING DEFINITIONS; AMENDING SECTIONS 2-6-1501, 49-4-303, 61-1-101, 61-3-109, 61-3-201, 61-3-202, 61-3-204, 61-3-210, 61-3-217, 61-3-220, 61-3-224, 61-3-303, 61-3-321, 61-3-401, 61-3-405, 61-3-412, 61-3-413, 61-4-101, 61-4-125, 61-4-128, 61-4-129, 61-4-225, 61-4-301, 61-5-105, 61-5-111, 61-5-119, 61-5-201, 61-8-1016, 61-8-1017, 61-8-1032, AND 61-12-501, MCA; AND REPEALING SECTIONS 61-3-413, 61-3-426, 61-3-473, AND 61-5-209, MCA."

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

**Section 1.** Section 2-6-1501, MCA, is amended to read:

**"2-6-1501. Definitions.** As used in this part, the following definitions apply:

- (1) "Breach of the security of a data system" or "breach" means the unauthorized acquisition of computerized data that:
  - (a) materially compromises the security, confidentiality, or integrity of the personal information maintained by a state agency or by a third party on behalf of a state agency; and
  - (b) causes or is reasonably believed to cause loss or injury to a person.

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**Section 4.** Section 61-3-109, MCA, is amended to read:

**"61-3-109. Electronic title, lien filing, and registration.** (1) The department shall develop and implement a pilot program to allow:

(a) electronic transmission of data by an authorized agent, a county treasurer, or a person to or from the department in lieu of the transmission of paper documents;

(b) substantiation of electronic record transactions performed by the department, an authorized agent, a county treasurer, or a person;

(c) the production and certification by a court or an authorized agent of a motor vehicle record generated from electronic records of title and registration maintained by the department;

(d) electronic filing, perfection, and release of security interests or liens of record;

(e) certification and audit by the department of its authorized agents; and

(f) expedited title services for customers with exceptional needs who are willing to pay an optional fee prescribed by the department by rule.

(2) Money collected from the fee imposed under subsection (1)(f) must be deposited in the motor vehicle information technology system account provided for in 61-3-550.

(3) Electronic title is title to a vehicle."

**Section 5.** Section 61-3-201, MCA, is amended to read:

**"61-3-201. Certificate of title required -- nonresident title -- exclusions.** (1) Except as provided in subsection (3), the owner of a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile that is in this state and for which a certificate of title has not been issued by or an electronic record of title has not been created by the department shall apply to the department, its authorized agent, or a county treasurer for a certificate of title for the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile.

(2) The department may determine requirements for nonresident businesses and financial institutions to apply for a title in this state and the department:

(a) may produce a title for nonresident business and financial institution applicants;

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(b) may enter a voluntary security interest or lien on the title in accordance with 61-3-103;

(c) is authorized to establish an application fee and title fee for nonresident applicants;

(d) shall require ~~an a nonresident business~~ applicant to submit a penalty bond of no less than ~~\$250,000-\$100,000~~ payable to the motor vehicle division, conditioned that the applicant will not commit fraud against any purchaser, seller, financial institution, the state, or any other state by using this section. A financial institution is exempt from the bond requirement in this subsection (2)(d).

(3) The following motor vehicles, trailers, semitrailers, pole trailers, campers, motorboats, personal watercraft, sailboats, or snowmobiles are exempt from the requirements of this part:

(a) a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile owned by the United States, unless the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile is registered in this state;

(b) except as required in 61-4-111, a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile that is:

(i) owned by a manufacturer, a dealer, a wholesaler, or an auto auction; and

(ii) held for sale, even though incidentally moved on the highway, used for purposes of testing or demonstration, or used solely by a manufacturer for testing;

(c) a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile owned by a nonresident or a nonresident who has an interest in real property in Montana who chooses not to register a motor vehicle in this state as provided in 61-3-303;

(d) a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile regularly engaged in the interstate transportation of persons or property and:

(i) for which a currently effective certificate of title has been issued in another state or jurisdiction;

or

(ii) that is properly registered under the provisions of Title 61, chapter 3, part 7;

(e) a vehicle moved solely by human or animal power;

(f) an implement of husbandry;

(g) special mobile equipment or a motor vehicle or trailer designed and used to apply fertilizer to

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agricultural land;

(h) a self-propelled wheelchair or tricycle used by a person with a disability;

(i) a dolly or converter gear;

(j) a mobile home or housetrailer;

(k) a manufactured home declared to be an improvement to real property under 15-1-116; or

(l) a golf cart unless it is operated by a person with a low-speed restricted driver's license."

**Section 6.** Section 61-3-202, MCA, is amended to read:

**"61-3-202. Certificate of title -- issuance -- contents -- joint ownership.** (1) A certificate of title issued by the department must contain:

(a) the date issued;

(b) the name and address of the owner;

(c) the mileage disclosed by the transferor when ownership of the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile was transferred, including a notation that the record mileage is actual, not actual, or exceeds mechanical limits;

(d) the name and address of each secured party and lienholder, in the order of priority and perfection or, if the application was based on a surrendered certificate of title, in the order that the names and addresses are shown on the certificate of title;

(e) the title number assigned to the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile;

(f) the name of the jurisdiction in which the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile owner resides, the words "certificate of title", the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile identification number, the manufacturer's designated model year of manufacture, make, and model of the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile, and any required or carried-forward brands;

(g) the unique transaction record number, if available and assigned by the department; and

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~~(b)(2)~~ The amount of \$5 of the fee must be deposited in the state general fund in accordance with 15-1-504, and the remaining \$5 must be deposited in the motor vehicle information technology system account provided for in 61-3-550.

~~(e)(3)~~ Beginning July 1, 2026, the fee for a replacement certificate of title is \$5 and the entire fee must be deposited in the state general fund.

~~(2)~~ Each replacement certificate of title issued by the department must contain the following statement: "This replacement voids any previously issued title."

**Section 8.** Section 61-3-210, MCA, is amended to read:

**"61-3-210. Definitions.** As used in this part, the following definitions apply:

(1) "Cab" means the passenger compartment of a truck or pickup truck. It is a unit of construction that includes the top or roof and the cowl and may or may not include glass, instrumentation, the steering column, and a seat or seats.

(2) "Center structure" includes the section of either a unibody or frame-type passenger motor vehicle that consists of a unit of sheet metal that extends from the firewall to the back of the rear seat or the centerline of the rear wheels. The structure may comprise the roof, side and rear window posts, cowl panel, dash panel, floor pans, doors, and rocker panels if two or more of these parts are assembled together as one unit.

(3) "Component part" means the front-end assembly, center structure, or tail section of an automobile, the cab of a truck, the bed of a 1-ton or lighter truck, the frame of a motor vehicle, or any part of a motor vehicle that contains a vehicle identification number or a derivative of a vehicle identification number.

(4) "Financial institution" means a bank or credit union that is federally insured.

~~(4)(5)~~ "Frame" means the structure that supports the automobile body and other external component parts.

~~(5)(6)~~ "Front-end assembly" includes the hood, right front and left front fenders, grill, bumper, and radiator supports if two or more of these parts are assembled together as one unit forward of the firewall.

~~(6)(7)~~ "Salvage certificate" means a certificate of title issued by the department for a salvage vehicle

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that may be used to retitle the motor vehicle.

~~(7)(8)~~ "Salvage vehicle" means a motor vehicle damaged by collision, fire, flood, accident, trespass, or other occurrence to the extent that the owner, an insurer, or another person acting on behalf of the owner determines that the cost of parts and labor makes it uneconomical to repair the vehicle.

~~(8)(9)~~ "Salvage vehicle purchaser" means a person, other than an insurer, who purchases or otherwise obtains possession of a salvage vehicle.

~~(9)(10)~~ "Tail section" includes the floor pan, right rear and left rear quarter panels, deck lid, upper rear and lower rear panels, and rear bumper if two or more of these parts are assembled together as one unit."

**Section 9.** Section 61-3-217, MCA, is amended to read:

**"61-3-217. Certificate of title -- duties -- examination of application -- records check -- incomplete application.** (1) (a) Upon receipt of an application for a certificate of title and any supporting documents, an authorized agent of the department or a county treasurer shall:

(i) review the application and documents;

(ii) complete the records check required in subsection (2); and

(iii) if an authorized agent of the department or the county treasurer is satisfied as to the genuineness and regularity of the application and satisfied that the applicant is entitled to the issuance of a certificate of title, enter the transfer of interest on the electronic record of title.

(b) If an authorized agent of the department or the county treasurer is not satisfied as to the genuineness and regularity of the application or is not satisfied that the applicant is entitled to the issuance of a certificate of title, the authorized agent or the county treasurer may not enter the transfer of interest on the electronic record of title.

(c) If an authorized agent of the department or the county treasurer enters the transfer of interest on the electronic record of title, an authorized agent or the county treasurer shall:

(i) issue a transaction summary receipt to the applicant and, if requested, to any secured party or lienholder with a perfected security interest; and

(ii) as prescribed by the department, forward to the department the application, the assigned