



AN ACT GENERALLY REVISING MOTOR VEHICLE LAW TO PROVIDE FOR THE VOLUNTARY CANCELLATION OR SUSPENSION OF A VEHICLE'S REGISTRATION; PROVIDING FOR THE LIABILITY AND IMPLEADER OF A PERSON USING A VEHICLE WITH A CANCELED OR SUSPENDED REGISTRATION; PROVIDING RULEMAKING AUTHORITY; AND AMENDING SECTIONS ~~61-6-301~~ AND SECTION 61-14-101, MCA.”

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

Section 1. Voluntary registration cancellation. (1) A person whose vehicle is registered in the state may cancel the registration in a manner prescribed by department rulemaking. The person shall remove the vehicle's license plates if the vehicle is in the person's possession. If the vehicle is registered to multiple adults, they must all consent to the cancellation.

(2) A vehicle with a canceled registration may not be driven on the ways of this state open to the public.

Section 2. Voluntary registration suspension. (1) A person whose vehicle is registered in the state may suspend the registration in a manner prescribed by department rulemaking. If the vehicle is registered to multiple adults, they must all consent to the suspension.

(2) A vehicle with a suspended registration may not be driven on the ways of this state open to the public.

Section 3. Responsibility and impleader of driver of vehicle with canceled or suspended registration. (1) The user of a vehicle with a canceled or suspended registration must be liable for all tolls, fines, and damages arising from the operation of the vehicle.

(2) The owner of a vehicle with a canceled or suspended registration may implead the driver of the vehicle in any suit money arising from the operation of the vehicle.

~~"61-6-301. **Required motor vehicle insurance -- family member exclusion.** (1) (a) Except as provided in subsection (1)(b), an owner of a motor vehicle that is registered and operated in Montana the state by the owner or with the owner's permission shall continuously provide insurance against loss resulting from liability imposed by law for bodily injury or death or damage to property suffered by any person caused by maintenance or use of a motor vehicle in an amount not less than that required by 61-6-103, or a certificate of self-insurance issued in accordance with 61-6-143.~~

~~(b) ——— Notwithstanding the mandatory motor vehicle liability insurance protection provided for in subsection (1)(a), nothing in this part may be construed to prohibit the exclusion from insurance coverage of a named family member in a motor vehicle liability insurance policy.~~

~~(2) ——— It is unlawful for a person to operate a motor vehicle upon on ways of this state open to the public as defined in 61-8-101 without a valid policy of liability insurance in effect in an amount not less than that required by 61-6-103 unless the person has been issued a certificate of self-insurance under 61-6-143 or is operating a vehicle exempt under 61-6-303."~~

Section 4. Section 61-14-101, MCA, is amended to read:

"61-14-101. Rulemaking authority -- vehicle services. (1) The department shall adopt rules for the registration of motor vehicles, including:

- (a) (i) simultaneous registration of multiple motor vehicles that have common ownership;
- (ii) defining the term "fleet" as used in 61-3-318 and 61-3-323; and
- (iii) the issuance of fleet series license plates provided for in 61-3-325;
- (b) verification of compliance with 61-6-301 before registering or renewing a registration of a vehicle or issuing new license plates required by 61-3-332(3);
- (c) devising a method to place license plates on the 5-year reissuance cycle to minimize

production peaks and valleys;

(d) early registration renewals when an owner of a motor vehicle presents extenuating circumstances; and

(e) automated mailing of license plates by the department or its authorized agent, including an agent under contract with the department pursuant to 61-3-338.

(2) The department shall adopt rules to procure compliance with all of the laws of the state regulating the issuance of motor vehicle, trailer, semitrailer, or pole trailer licenses relating to the use and operation of motor vehicles, trailers, semitrailers, or pole trailers before issuing the lettered license plates pursuant to 61-3-423.

(3) The department shall adopt rules for generic specialty license plates issued pursuant to 61-3-472 through 61-3-481, including:

(a) the minimum and maximum number of characters that a generic specialty license plate may display;

(b) the general placement of the sponsor's name, identifying phrase, and graphic; and

(c) any specifications or limitations on the use or choice of color or detail in the sponsor's graphic design.

(4) The department shall adopt rules for voluntary cancellation or suspension of registration pursuant to [sections 1 and 2], including rules to allow a person to end the voluntary suspension of a vehicle's registration.

~~(3)~~(5) The department may adopt rules to establish vehicle brands or carried-forward brands according to 61-3-202.

~~(4)~~(6) The department may adopt rules governing affidavit and bond for certificate of title pursuant to 61-3-208.

~~(5)~~(7) The department may adopt rules for the implementation and administration of temporary registration permits, pursuant to 61-3-224, including issuance to:

(a) a Montana resident who acquires a new or used motor vehicle, trailer, semitrailer, pole trailer, motorboat, sailboat that is 12 feet or longer, snowmobile, or off-highway vehicle for operation of the vehicle or vessel prior to titling and registration of the vehicle or vessel under Title 61, chapter 3;

(b) the owner of a salvage vehicle or a vehicle requiring a state-assigned vehicle identification number to move the vehicle to and from a designated inspection site prior to applying for a new certificate of title under 61-3-107 or 61-3-212;

(c) the owner of a motor vehicle, trailer, semitrailer, or pole trailer registered in this state for operation of the vehicle while awaiting production and receipt of special or duplicate license plates ordered for a vehicle under Title 61, chapter 3;

(d) a nonresident of this state who acquires a motor vehicle, trailer, semitrailer, or pole trailer in this state for operation of the vehicle prior to its titling and registration under the laws of the nonresident's jurisdiction of residence;

(e) a dealer licensed in another state who brings a motor vehicle or trailer designed and used to apply fertilizer to agricultural lands into the state for special demonstration in this state;

(f) a financial institution located in Montana for a prospective purchaser to demonstrate a motor vehicle that the financial institution has obtained following repossession;

(g) an insurer or its agent to move a motor vehicle or trailer to auction following acquisition of the vehicle by the insurer as a result of the settlement of an insurance claim;

(h) a nonresident owner to temporarily operate a quadricycle or motorcycle designed for off-road recreational use on the highways of this state when the quadricycle or motorcycle designed for off-road recreational use is equipped for use on the highways as prescribed in Title 61, chapter 9, but the quadricycle or motorcycle designated for off-road recreational use is not registered or is only registered for off-road use in the nonresident's home state; or

(i) a new owner of a motor vehicle, trailer, semitrailer, pole trailer, motorboat, sailboat that is 12 feet in length or longer, snowmobile, or off-highway vehicle for which the new owner cannot, due to circumstances beyond the new owner's control, surrender a previously assigned certification of title.

~~(6)~~(8) The department may adopt rules for the assessment and collection of registration fees on light vehicles under 61-3-321 and 61-3-562, including the proration of fees under 61-3-520 and criteria for determining the motor vehicle's age.

~~(7)~~(9) The department may adopt rules for imposing and collecting fees in lieu of tax, including:

(a) the proration of fees in lieu of tax under 61-3-520 on buses, trucks having a manufacturer's

rated capacity of more than 1 ton, and truck tractors;

- (b) criteria for determining the motor vehicle's age; and
- (c) criteria for determining the manufacturer's rated capacity.

~~(8)(10)~~ The department may adopt rules, pursuant to Title 61, chapter 3, for the administration of fees for trailers, semitrailers, and pole trailers, including criteria for determining a trailer's age and weight.

~~(9)~~ The department shall adopt rules for generic specialty license plates issued pursuant to 61-3-472 through 61-3-481, including:

- ~~(a)~~ the minimum and maximum number of characters that a generic specialty license plate may display;
- ~~(b)~~ the general placement of the sponsor's name, identifying phrase, and graphic; and
- ~~(c)~~ any specifications or limitations on the use or choice of color or detail in the sponsor's graphic design.

~~(10)(11)~~ The department may adopt rules governing dealers pursuant to the provisions of Title 61, chapter 4, including:

- (a) the application and issuance of dealer licenses, including the qualifications of dealers, and the staggering of expiration dates pursuant to 61-4-101;
- (b) the issuance of dealer, demonstrator, loaner, courtesy, and transit plates pursuant to 61-4-102, 61-4-128 through 61-4-130, 61-4-301, 61-4-307, and 61-4-308;
- (c) the application and process for renewing a dealer license pursuant to 61-4-124; and
- (d) governing the regulation of persons required to be licensed pursuant to Title 61, chapter 4, part

2.

~~(11)(12)~~ The department may adopt rules for local option tax appeals pursuant to 15-15-201.

~~(12)(13)~~ The department may adopt rules to implement any other provision of this title."

Section 5. Codification instruction. (1) [Sections 1 and 2] are intended to be codified as an integral part of Title 61, chapter 3, part 3, and the provisions of Title 61, chapter 3, part 3, apply to [sections 1 and 2].

(2) [Section 3] is intended to be codified as an integral part of Title 61, chapter 6, and the provisions of Title 61, chapter 6, apply to [section 3].

- END -

I hereby certify that the within bill,
HB 235, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2025.

President of the Senate

Signed this _____ day
of _____, 2025.

HOUSE BILL NO. 235

INTRODUCED BY N. DURAM, E. BYRNE, C. SCHOMER, G. HUNTER, D. LOGE, M. NOLAND

AN ACT GENERALLY REVISING MOTOR VEHICLE LAW TO PROVIDE FOR THE VOLUNTARY CANCELLATION OR SUSPENSION OF A VEHICLE'S REGISTRATION; PROVIDING FOR THE LIABILITY AND IMPLIANT OF A PERSON USING A VEHICLE WITH A CANCELED OR SUSPENDED REGISTRATION; PROVIDING RULEMAKING AUTHORITY; AND AMENDING SECTIONS 61-6-301 AND SECTION 61-14-101, MCA."