

HOUSE BILL NO. 235

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

A BILL FOR AN ACT ENTITLED: "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 IMPLERDER OF A PERSON USING A VEHICLE WITH A CANCELED OR SUSPENDED REGISTRATION; PROVIDING RULEMAKING AUTHORITY; AND AMENDING SECTIONS 61-6-301 AND 61-14-101, MCA."

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

**NEW SECTION. 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.

**NEW SECTION. 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.

**NEW SECTION. 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

1 vehicle in any suit money arising from the operation of the vehicle.

2

3 **Section 4.** Section 61-6-301, MCA, is amended to read:

4 **"61-6-301. Required motor vehicle insurance -- family member exclusion.** (1) (a) Except as  
5 provided in subsection (1)(b), an owner of a motor vehicle that is registered and operated in ~~Montana~~the state  
6 by the owner or with the owner's permission shall continuously provide insurance against loss resulting from  
7 liability imposed by law for bodily injury or death or damage to property suffered by any person caused by  
8 maintenance or use of a motor vehicle in an amount not less than that required by 61-6-103, or a certificate of  
9 self-insurance issued in accordance with 61-6-143.

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

13 (ii) The owner of a vehicle registered in the state is not obligated to provide insurance as required  
14 by subsection (1)(a) after cancelling the registration of the vehicle under [section 1] or during a period of  
15 suspended registration of the vehicle under [section 2].

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

20

21 **Section 5.** Section 61-14-101, MCA, is amended to read:

22 **"61-14-101. Rulemaking authority -- vehicle services.** (1) The department shall adopt rules for the  
23 registration of motor vehicles, including:

24 (a) (i) simultaneous registration of multiple motor vehicles that have common ownership;

25 (ii) defining the term "fleet" as used in 61-3-318 and 61-3-323; and

26 (iii) the issuance of fleet series license plates provided for in 61-3-325;

27 (b) verification of compliance with 61-6-301 before registering or renewing a registration of a  
28 vehicle or issuing new license plates required by 61-3-332(3);

1 (c) devising a method to place license plates on the 5-year reissuance cycle to minimize  
2 production peaks and valleys;

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

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

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

11 (3) The department shall adopt rules for generic specialty license plates issued pursuant to 61-3-  
12 472 through 61-3-481, including:

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

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

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

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

21 ~~(3)~~(5) The department may adopt rules to establish vehicle brands or carried-forward brands  
22 according to 61-3-202.

23 ~~(4)~~(6) The department may adopt rules governing affidavit and bond for certificate of title pursuant to  
24 61-3-208.

25 ~~(5)~~(7) The department may adopt rules for the implementation and administration of temporary  
26 registration permits, pursuant to 61-3-224, including issuance to:

27 (a) a Montana resident who acquires a new or used motor vehicle, trailer, semitrailer, pole trailer,  
28 motorboat, sailboat that is 12 feet or longer, snowmobile, or off-highway vehicle for operation of the vehicle or

1 vessel prior to titling and registration of the vehicle or vessel under Title 61, chapter 3;

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

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

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

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

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

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

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

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

25 ~~(6)~~(8) The department may adopt rules for the assessment and collection of registration fees on light  
26 vehicles under 61-3-321 and 61-3-562, including the proration of fees under 61-3-520 and criteria for  
27 determining the motor vehicle's age.

28 ~~(7)~~(9) The department may adopt rules for imposing and collecting fees in lieu of tax, including:

1 (a) the proration of fees in lieu of tax under 61-3-520 on buses, trucks having a manufacturer's  
2 rated capacity of more than 1 ton, and truck tractors;

3 (b) criteria for determining the motor vehicle's age; and

4 (c) criteria for determining the manufacturer's rated capacity.

5 ~~(8)(10)~~ The department may adopt rules, pursuant to Title 61, chapter 3, for the administration of fees  
6 for trailers, semitrailers, and pole trailers, including criteria for determining a trailer's age and weight.

7 ~~(9)~~—The department shall adopt rules for generic specialty license plates issued pursuant to 61-3-  
8 472 through 61-3-481, including:

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

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

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

14 ~~(10)(11)~~The department may adopt rules governing dealers pursuant to the provisions of Title 61,  
15 chapter 4, including:

16 (a) the application and issuance of dealer licenses, including the qualifications of dealers, and the  
17 staggering of expiration dates pursuant to 61-4-101;

18 (b) the issuance of dealer, demonstrator, loaner, courtesy, and transit plates pursuant to 61-4-102,  
19 61-4-128 through 61-4-130, 61-4-301, 61-4-307, and 61-4-308;

20 (c) the application and process for renewing a dealer license pursuant to 61-4-124; and

21 (d) governing the regulation of persons required to be licensed pursuant to Title 61, chapter 4, part  
22 2.

23 ~~(11)(12)~~The department may adopt rules for local option tax appeals pursuant to 15-15-201.

24 ~~(12)(13)~~The department may adopt rules to implement any other provision of this title."  
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26 **NEW SECTION. Section 6. Codification instruction.** (1) [Sections 1 and 2] are intended to be  
27 codified as an integral part of Title 61, chapter 3, part 3, and the provisions of Title 61, chapter 3, part 3, apply  
28 to [sections 1 and 2].

