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SENATE BILL NO. 715

Offered January 9, 2013

Prefiled November 30, 2012

A *BILL to amend the Code of Virginia by adding a section numbered 46.2-633.2, relating to the transfer of title to vehicles.*

Patron—Black

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 46.2-633.2 as follows:****§ 46.2-633.2. Transfer of title on death.**

A. A motor vehicle, trailer, or semitrailer may include in the certificate of title a designation of a beneficiary to whom the motor vehicle, trailer, or semitrailer shall be transferred after the death of the owner.

B. A motor vehicle, trailer, or semitrailer may be titled with a designated beneficiary by applying to the Department for a certificate of title on which is stated the name of the sole owner followed by "transfer on death" or "TOD" and the name of the beneficiary.

C. A certificate of title with a designated beneficiary shall not be issued if (i) the owner is not a natural person; (ii) the motor vehicle, trailer, or semitrailer is encumbered by a lien; or (iii) the owner holds an interest in the motor vehicle, trailer, or semitrailer with another person.

D. During the lifetime of the owner:

1. The beneficiary shall have no interest in the motor vehicle, trailer, or semitrailer and the signature or consent of the beneficiary shall not be required for any transaction; and

2. The certificate of title with the designated beneficiary shall be revoked if:

a. The owner files an application for a certificate of title under subsection B to remove or change the beneficiary;

b. The owner sells the motor vehicle, trailer, or semitrailer and delivers the certificate of title to another person; or

c. A lien request is made for the motor vehicle, trailer, or semitrailer.

E. Except as provided in this section, the designated beneficiary may not be changed or revoked by will or any other instrument, by a change in circumstances, or in any other manner.

F. A certificate of title with a designated beneficiary shall not be required to be supported by consideration and need not be delivered to the beneficiary to be effective.

G. Upon the death of the owner and application by the beneficiary, the Department shall issue a new certificate of title in accordance with § 46.2-600 for the motor vehicle, trailer, or semitrailer to the beneficiary. The beneficiary must apply for a certificate of title upon submitting proof of the death of the owner and such other documents and information as the Department may reasonably require. If the beneficiary does not survive the owner or does not apply for a certificate of title within 120 days of the death of the owner, the beneficiary shall have no right to obtain title to the motor vehicle, trailer, or semitrailer under this section.

H. Any transfer pursuant to this section shall be subject to any contract of sale, assignment, or security interest to which the owner was subject during his lifetime.

I. Any transfer pursuant to this section is not testamentary and shall not be subject to the provisions of Title 64.2.

INTRODUCED

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