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SENATE BILL NO. 715

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Transportation
on January 23, 2013)

(Patron Prior to Substitute—Senator Black)

A BILL to amend and reenact § 46.2-615 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 46.2-633.2, relating to the transfer of title to vehicles.

Be it enacted by the General Assembly of Virginia:

1. That § 46.2-615 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding a section numbered 46.2-633.2 as follows:

§ 46.2-615. Registration effective after death of owner.

Upon the death of an owner of a registered motor vehicle, trailer, or semitrailer, its registration shall continue in force as a valid registration until (i) the end of the registration period for which the license plates or decals are issued or (ii) the ownership of the motor vehicle, trailer, or semitrailer is transferred before the end of the registration period by the executor or administrator of the estate of the deceased owner or by a legatee or distributee of the estate, as provided in § 46.2-632 or § 46.2-633, ~~or~~ (iii) its ownership is transferred to a new owner before the end of the registration period by the survivor of its two joint owners, or (iv) its ownership is transferred pursuant to § 46.2-633.2.

§ 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 security interest; 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 not be issued by the Department or shall be canceled 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. An application for the recording of a lien or security interest has been filed with the Department for the motor vehicle, trailer, or semitrailer prior to the death of the owner or filed within the time limits in § 46.2-639.

E. Except as provided in this section, the designated beneficiary shall 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 or his estate shall have no right to obtain title to the motor vehicle, trailer, or semitrailer under this section. Upon transfer of title to the beneficiary, the Department shall cancel the registration of the deceased owner.

H. Any transfer pursuant to this section shall be subject to any lien or security interest authorized under § 46.2-644, 46.2-644.01, or 46.2-644.02.

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

SENATE SUBSTITUTE

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