



1999 SENATE BILL 200

June 22, 1999 - Introduced by Senator MOEN, by request of Edsel Grams of Eau Claire. Referred to Committee on Insurance, Tourism, Transportation and Corrections.

1 **AN ACT to amend** 342.17 (title) and (1), 342.17 (4) (a) (intro.) and 342.17 (4) (b)
2 1. (intro.); and **to create** 342.06 (1) (L), 342.10 (1) (f), 342.14 (3r), 342.17 (4) (bg)
3 and 342.175 of the statutes; **relating to:** transferring a motor vehicle upon
4 death of the owner to a beneficiary designated in the certificate of title.

Analysis by the Legislative Reference Bureau

Under current law, the transfer of most motor vehicles upon the death of the owner must proceed through probate before the department of transportation (DOT) may transfer the vehicle.

This bill allows the owner of a vehicle to designate on the certificate of title a beneficiary to receive the vehicle upon the owner's death. This transfer occurs outside of probate.

Under this bill, upon application for a certificate of title, the owner may designate a beneficiary to receive the vehicle upon his or her death. DOT must record the name of the beneficiary on the certificate of title. A valid designation occurs only if the owner designates no more than one beneficiary in the certificate of title, the vehicle does not qualify as marital property and the owner is the sole owner of the vehicle.

An owner may revoke a designation only by applying for a new certificate of title and either changing the name of the beneficiary or choosing not to designate a beneficiary or by transferring the vehicle prior to death. Upon receiving an application for a certificate of title, DOT must notify the beneficiary and, if the owner revokes a designation, DOT must notify the previous beneficiary of the revocation.

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Upon the death of the owner, the beneficiary must present to DOT a certified copy of the owner's death certificate. DOT is required to transfer the vehicle to the designated person after performing a title search to confirm the name of the beneficiary. If the beneficiary does not survive the owner, the vehicle belongs to the deceased owner's estate and passes under the deceased owner's will or, if there is no will, by the law of intestate succession.

This bill provides that the designation of a beneficiary does not affect any liens on the vehicle and that a transaction involving the vehicle prior to the owner's death does not require the consent of the beneficiary. The bill also provides that the statutory provisions that apply generally to transfers of property at death (such as how long a person must survive an event to be considered to have survived the event) apply to the provisions related to designating a beneficiary of a vehicle on the certificate of title.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 342.06 (1) (L) of the statutes is created to read:

2 342.06 (1) (L) The name and address of a beneficiary designated under s.
3 342.175, if any.

4 **SECTION 2.** 342.10 (1) (f) of the statutes is created to read:

5 342.10 (1) (f) If the owner designates a beneficiary under s. 342.175, the name
6 and address of the beneficiary.

7 **SECTION 3.** 342.14 (3r) of the statutes is created to read:

8 342.14 (3r) Notwithstanding s. 342.09 (3), upon filing an application under
9 sub. (1) or (3) that contains the name and address of a beneficiary designated under
10 s. 342.175 (1), in addition to any other fees specified under this section, a fee equal
11 to the cost of processing a designation made under s. 342.175 (1), by the owner of the
12 vehicle.

13 **SECTION 4.** 342.17 (title) and (1) of the statutes are amended to read:

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1 **342.17** (title) **Involuntary transfers and transfers on death.** (1) If the
2 interest of an owner in a vehicle passes to another ~~other than~~ by voluntary
3 involuntary transfer or by a designation under s. 342.175, the transferee shall,
4 except as provided in sub. (2), promptly mail or deliver to the department the last
5 certificate of title, if available, and the documents required by the department to
6 legally effect such transfer, and an application for a new certificate in the form the
7 department prescribes.

8 **SECTION 5.** 342.17 (4) (a) (intro.) of the statutes is amended to read:

9 342.17 (4) (a) (intro.) In all cases of the transfer of a vehicle owned by a
10 decedent, except under ~~par.~~ pars. (b) and (bg), ward, trustee or bankrupt, the
11 department shall accept as sufficient evidence of the transfer of ownership the
12 following:

13 **SECTION 6.** 342.17 (4) (b) 1. (intro.) of the statutes is amended to read:

14 342.17 (4) (b) 1. (intro.) The department shall transfer the decedent's interest
15 in any vehicle, other than a vehicle for which a beneficiary is designated under s.
16 342.175, to his or her surviving spouse upon receipt of the title executed by the
17 surviving spouse and a statement by the spouse which shall state:

18 **SECTION 7.** 342.17 (4) (bg) of the statutes is created to read:

19 342.17 (4) (bg) The department shall transfer any vehicle to a beneficiary
20 designated to receive the vehicle under s. 342.175 if the designated beneficiary
21 survives the decedent and presents to the department a certified copy of the
22 decedent's death certificate. Upon receipt of the decedent's death certificate under
23 this paragraph, the department shall perform a title search to confirm the name of
24 the beneficiary designated under s. 342.175 and may charge the beneficiary a fee to
25 cover the cost of performing the search.

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1 **SECTION 8.** 342.175 of the statutes is created to read:

2 **342.175 Designation of a transfer-on-death beneficiary.** (1) The owner
3 of a vehicle may designate in the certificate of title a beneficiary to whom the
4 department shall transfer the vehicle upon the owner's death if all of the following
5 apply:

6 (a) The owner designates only one beneficiary in the certificate of title.

7 (b) The vehicle does not qualify as marital property under ch. 766.

8 (c) The owner does not own the vehicle as a joint tenant or as a tenant in
9 common.

10 **(2)** Upon receipt of an application for a certificate of title under s. 342.06 that
11 contains the name and address of a beneficiary designated under sub. (1), the
12 department shall notify the beneficiary of the designation by mail.

13 **(3)** Any transaction prior to the owner's death that involves a vehicle for which
14 a beneficiary is designated under sub. (1) does not require the consent of the
15 designated beneficiary.

16 **(4)** Except as provided in sub. (5) and subject to s. 853.15, a beneficiary
17 designation under sub. (1) may not be changed or revoked by will or any other
18 instrument.

19 **(5)** An owner may revoke or change a designation under sub. (1) only by doing
20 any of the following:

21 (a) Applying for a new certificate of title without designating a beneficiary.

22 (b) Applying for a new certificate of title and designating a different beneficiary.

23 (c) Transferring the vehicle prior to death.

24 **(6)** If an owner submits an application for a certificate of title that does not
25 contain the name of the beneficiary previously designated by the owner under sub.

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1 (1), the department shall, by mail, notify the beneficiary previously designated that
2 the owner has revoked the designation.

3 (7) A transfer of title under this section does not affect any lien upon the
4 vehicle.

5 (8) If a beneficiary designated under sub. (1) does not survive the owner of the
6 vehicle and the owner has not changed or revoked the designation under sub. (5), the
7 vehicle belongs to the estate of the owner at the owner's death.

8 (9) Chapter 854 applies to transfers at death under this section.

9 **SECTION 9. Effective date.**

10 (1) This act takes effect on the first day of the 4th month beginning after
11 publication.

12

(END)