

ASSEMBLY TRANSPORTATION AND INDEPENDENT
AUTHORITIES COMMITTEE

STATEMENT TO
ASSEMBLY, No. 2847

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 10, 2022

The Assembly Transportation and Independent Authorities Committee reports favorably and with committee amendments Assembly Bill No. 2847.

As amended and reported, this bill authorizes motor vehicles to be titled in "transfer on death" ("TOD") form. Transfer pursuant to a TOD would be independent of any probate of the decedent's estate.

Under the bill, a motor vehicle may be titled in TOD form by including in the certificate of ownership a designation of a beneficiary or beneficiaries to whom the motor vehicle is to be transferred on the death of the owner, or the last to die of two or more owners with right of survivorship. The transfer is to be subject to the rights of all lien holders, whether created before, simultaneously with, or after the creation of the TOD interest. A trust may be the beneficiary of a TOD certificate of ownership.

A motor vehicle is to be titled in TOD form by designating in the certificate of ownership the name of the sole owner, or the names of the owners who own the motor vehicle as tenants in common, tenants by the entirety or joint tenants with right of survivorship, followed in substance by the words "transfer on death to (name of beneficiary or beneficiaries)." Instead of the words "transfer on death to" the abbreviation "TOD" may be used.

The TOD beneficiary or beneficiaries are to have no interest in the motor vehicle until the death of the owner or the last to die of all multiple owners with right of survivorship. A beneficiary designation may be changed at any time by the owner or all then surviving multiple owners with right of survivorship without the consent of the beneficiary or beneficiaries by filing an application for a subsequent certificate of ownership.

Under the bill, ownership of a motor vehicle titled in TOD form for which an application for a subsequent certificate of ownership has not been filed is to vest in the designated beneficiary or beneficiaries on the death of the owner or the last to die of all multiple owners with right of survivorship, subject to the rights of

all lien holders. If no beneficiary survives the death of the owner or the last to die of all multiple owners with right of survivorship, then such interest in the motor vehicle is to belong to the estate of the deceased owner or the last to die of all multiple owners with right of survivorship. Under the bill, a will does not revoke or supersede a TOD beneficiary designation, regardless of when the will was made.

The New Jersey Motor Vehicle Commission (commission) is required to publish appropriate information and forms to allow an owner, or owners, of a motor vehicle to add, change, or remove a transfer on death beneficiary or beneficiaries to a certificate of ownership. The information and forms are to be available in all commission agency locations and on the commission's website.

As amended and reported, Assembly Bill No. 2847 is identical to Senate Bill No. 906(1R), which was also amended and reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amendments provide that the owner of a motor vehicle may change or remove TOD beneficiaries on forms provided by the commission.