

# SENATE, No. 906

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JANUARY 27, 2022

**Sponsored by:**

**Senator PATRICK J. DIEGNAN, JR.**

**District 18 (Middlesex)**

**Senator JAMES W. HOLZAPFEL**

**District 10 (Ocean)**

**Co-Sponsored by:**

**Senator Corrado**

**SYNOPSIS**

Authorizes transfer on death (TOD) of title to motor vehicle.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 2/3/2022)

1 AN ACT concerning motor vehicle ownership and supplementing  
2 Title 39 of the Revised Statutes.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. a. A motor vehicle may be titled in transfer on death  
8 ("TOD") form by including in the certificate of title a designation  
9 of a beneficiary or beneficiaries to whom the motor vehicle shall be  
10 transferred on the death of the owner, or the last to die of two or  
11 more owners with right of survivorship. The transfer shall be  
12 subject to the rights of all lien holders, whether created before,  
13 simultaneously with, or after the creation of the TOD interest. A  
14 trust may be the beneficiary of a TOD title.

15 b. A motor vehicle is titled in TOD form by designating in the  
16 certificate of title the name of the sole owner, or the names of the  
17 owners who own the motor vehicle as tenants in common, tenants  
18 by the entirety or joint tenants with right of survivorship, followed  
19 in substance by the words "transfer on death to (name of beneficiary  
20 or beneficiaries)." The abbreviation "TOD" may be used instead of  
21 the words "transfer on death to."

22 c. The transfer on death beneficiary or beneficiaries shall have  
23 no interest in the motor vehicle until the death of the owner or the  
24 last to die of all multiple owners with right of survivorship. A  
25 beneficiary designation may be changed at any time by the owner or  
26 all then surviving multiple owners with right of survivorship,  
27 without the consent of the beneficiary or beneficiaries, by filing an  
28 application for a subsequent certificate of title.

29 d. Ownership of a motor vehicle titled in TOD form for which  
30 an application for a subsequent certificate of title has not been filed  
31 shall vest in the designated beneficiary or beneficiaries on the death  
32 of the owner or the last to die of all multiple owners with right of  
33 survivorship, subject to the rights of all lien holders. If no  
34 beneficiary survives the death of the owner or the last to die of all  
35 multiple owners with right of survivorship, then such interest in the  
36 motor vehicle belongs to the estate of the deceased owner or the last  
37 to die of all multiple owners with right of survivorship.

38 e. A certificate of title in TOD form shall not be considered a  
39 testamentary disposition.

40  
41 2. The New Jersey Motor Vehicle Commission shall adopt,  
42 pursuant to the "Administrative Procedure Act," P.L.1968, c.410  
43 (C.52:14B-1 et seq.), rules and regulations to effectuate the  
44 provisions of this act.

45  
46 3. This act shall take effect on the first day of the fourth month  
47 following enactment.

## STATEMENT

This bill would authorize titles to motor vehicles in the form of “transfer on death” (“TOD”). Transfer pursuant to a TOD would be independent of any probate of the decedent’s estate.

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

A motor vehicle would be titled in transfer on death form by designating in the certificate of title 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" could be used.

The TOD beneficiary or beneficiaries would 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 could 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 title.

Under the bill, ownership of a motor vehicle titled in TOD form for which an application for a subsequent certificate of title has not been filed would 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 would belong to the estate of the deceased owner or the last to die of all multiple owners with right of survivorship.

This bill is modeled on a Delaware statute, 21 Del. C. sec. 2304.