

**HOUSE BILL NO. 81**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE RAUSCHER**

**Introduced: 02/22/23**

**Referred: Transportation, State Affairs**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the transfer of a title on the death of the owner; and providing for**  
2 **an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 05.25 is amended by adding a new section to read:

5 **Sec. 05.25.058. Transfer of certificate of title on death.** The owner of a boat  
6 for which the Department of Administration is required or allowed to issue a  
7 certificate of title under this chapter may obtain a transfer on death title for the boat  
8 under AS 13.33.401.

9 **\* Sec. 2.** AS 13.33.101(a) is amended to read:

10 (a) A provision for a nonprobate transfer on death in an insurance policy,  
11 contract of employment, bond, mortgage, promissory note, certificated or  
12 uncertificated security, account agreement, custodial agreement, deposit agreement,  
13 compensation plan, pension plan, individual retirement plan, employee benefit plan,  
14 trust, conveyance, deed of gift, marital property agreement, or other written instrument

1 of a similar nature is nontestamentary. This subsection includes

2 **(1)** a written provision that

3 **(A)** [(1)] money or other benefits due to, controlled by, or  
 4 owned by a decedent before death must be paid after the decedent's death to a  
 5 person whom the decedent designates either in the instrument or in a separate  
 6 writing, including a will, executed either before or at the same time as the  
 7 instrument, or later;

8 **(B)** [(2)] money due or to become due under the instrument  
 9 ceases to be payable in the event of death of the promisee or the promisor  
 10 before payment or demand; or

11 **(C)** [(3)] property controlled by or owned by the decedent  
 12 before death that is the subject of the instrument passes to a person the  
 13 decedent designates either in the instrument or in a separate writing, including  
 14 a will, executed either before or at the same time as the instrument, or later;

15 **and**

16 **(2) a transfer of a boat or vehicle by a transfer on death title under**  
 17 **AS 13.33.401.**

18 \* **Sec. 3.** AS 13.33 is amended by adding a new section to read:

19 **Article 4. Transfer of Boat and Vehicle Title on Death.**

20 **Sec. 13.33.401. Transfer of certificate of title on death.** (a) The owner of a  
 21 boat or vehicle for which the department is required or allowed to issue a certificate of  
 22 title may obtain a transfer on death title for the boat or vehicle. A transfer on death  
 23 title transfers the title to a designated beneficiary when the sole owner or the last  
 24 surviving joint owner dies.

25 (b) To obtain a transfer on death title for a boat or vehicle, the owner of the  
 26 boat or vehicle shall submit to the department an application on a form established by  
 27 the department and a fee for the transfer on death title. Each joint owner shall sign the  
 28 application to obtain, revoke, or change a transfer on death title.

29 (c) A transfer on death title must contain the words "transfer on death to" or  
 30 the abbreviation "TOD," followed by the names of not more than two designated  
 31 beneficiaries.

1 (d) A transfer on death title obtained under this section is effective without  
2 (1) notice to, delivery to, or acceptance by the designated beneficiary;  
3 or  
4 (2) consideration.

5 (e) A transfer on death title is a nontestamentary transfer on death.

6 (f) The owner may revoke a transfer on death title or change the designated  
7 beneficiary on a transfer on death title at any time during the owner's life without the  
8 consent of or notice to the designated beneficiary.

9 (g) To revoke or change a transfer on death title, the owner shall

10 (1) transfer the boat or vehicle to another person and assign and deliver  
11 the certificate of title for the boat or vehicle to the other person; or

12 (2) file with the department an application on a form established by the  
13 department and pay a fee to the department to reissue the certificate of title for the  
14 boat or vehicle without a designated beneficiary or with a different designated  
15 beneficiary.

16 (h) A designated beneficiary may disclaim the designated beneficiary's interest  
17 in the boat or vehicle under AS 13.70 (Uniform Disclaimer of Property Interests Act).

18 (i) Except as limited under (j) - (l) of this section, a designated beneficiary  
19 takes the transfer on death title subject to the

20 (1) conveyances, encumbrances, assignments, contracts, liens, and  
21 other interests to which the boat or vehicle is subject at the owner's death; and

22 (2) claims of creditors against the owner or the owner's estate.

23 (j) To the extent the owner's probate estate is insufficient to satisfy an allowed  
24 claim against the estate, the costs of administration of the estate, or a statutory  
25 allowance to a surviving spouse or child, the estate may enforce the liability against a  
26 boat or vehicle transferred at the owner's death by a transfer on death title.

27 (k) If more than one boat or vehicle is transferred by one or more transfer on  
28 death titles, the liability under (j) of this section is apportioned among the boats or  
29 vehicles in proportion to the net values of the boats or vehicles at the owner's death.

30 (l) A proceeding to enforce a liability under (j) of this section shall begin not  
31 later than 12 months after the owner's death. A proceeding to enforce a liability under

1 (j) of this section may not begin unless the personal representative of the owner's  
2 estate has received a written demand by the surviving spouse, a creditor, a child of the  
3 decedent, or a person acting for a child or the surviving spouse of the decedent.

4 (m) During the life of the owner, a transfer on death title does not

5 (1) affect an interest or right of the sole owner or a joint owner of the  
6 boat or vehicle, including the right to transfer or encumber the boat or vehicle;

7 (2) affect an interest or right of the designated beneficiary, even if the  
8 designated beneficiary has actual or constructive notice of the transfer on death title;

9 (3) affect an interest or right of a secured or unsecured creditor or  
10 future creditor of the sole owner or a joint owner, even if the creditor has actual or  
11 constructive notice of the transfer on death title;

12 (4) affect the eligibility of the sole owner, a joint owner, or a  
13 designated beneficiary for any form of public assistance;

14 (5) create a legal or equitable interest in favor of the designated  
15 beneficiary; or

16 (6) subject the boat or vehicle to the claims or service of process of a  
17 creditor of the designated beneficiary.

18 (n) Except as otherwise provided in this section or in AS 13.12.203,  
19 13.12.803, or 13.12.804, on the death of the owner, the title to the boat or vehicle is  
20 transferred to the designated beneficiary, if the designated beneficiary survives the  
21 owner by 120 hours.

22 (o) The department shall issue a new certificate of title for a boat or vehicle to  
23 the designated beneficiary after the death of the owner if the designated beneficiary  
24 otherwise satisfies this section and submits

25 (1) proof of the death of the owner by providing a death certificate,  
26 another official record of the death, or other evidence of the death that is satisfactory  
27 to the department; and

28 (2) an application on a form established by the department and pays a  
29 fee to the department for the certificate of title.

30 (p) If a designated beneficiary obtains the title to a boat or vehicle under (o) of  
31 this section and if the designated beneficiary consists of more than one person, the

1 persons hold the title as joint tenants with the right of survivorship and the department  
2 shall issue the new title in the conjunctive.

3 (q) Except as provided in this section, a transfer on death title may not be  
4 changed or revoked by will or another instrument, by a change in circumstances, or in  
5 any other manner.

6 (r) The department may adopt regulations under AS 44.62 (Administrative  
7 Procedure Act) to implement this section, including regulations establishing the forms  
8 to be used under this section and the fees to be paid.

9 (s) In this section,

10 (1) "boat" means a boat for which the department is required or  
11 allowed to issue a title under AS 05.25.055 or 05.25.056;

12 (2) "department" means Department of Administration;

13 (3) "designated beneficiary" means a person to whom a boat or vehicle  
14 title is transferred by a transfer on death title;

15 (4) "joint owner" means an individual who owns a boat or vehicle with  
16 one or more other individuals as joint tenants with a right of survivorship or as tenants  
17 by the entirety;

18 (5) "owner" means

19 (A) the sole owner; or

20 (B) all joint owners;

21 (6) "person" includes a corporation, company, partnership, firm,  
22 association, organization, trust, business trust, or society, as well as a natural person;

23 (7) "sole owner" means an individual who is the only person who owns  
24 the boat or vehicle;

25 (8) "transfer on death title" means a certificate of title obtained under  
26 (a) of this section that transfers the title of a boat or vehicle to a designated beneficiary  
27 when the owner dies;

28 (9) "vehicle" means a vehicle for which the department is required or  
29 allowed to issue a certificate of title under AS 28.10.201.

30 \* **Sec. 4.** AS 13.48.110(c) is amended to read:

31 (c) A proceeding to enforce the liability under this section must be

1 commenced not later than 12 months after the transferor's death. A proceeding to  
2 enforce the liability under (a) of this section may not be commenced unless the  
3 personal representative of the transferor's estate has received a written demand by the  
4 surviving spouse, a creditor, a child, or a person acting for a child **or the surviving**  
5 **spouse** of the decedent.

6 \* **Sec. 5.** AS 28.10 is amended by adding a new section to read:

7 **Sec. 28.10.275. Transfer of certificate of title on death.** In addition to the  
8 transfer of a vehicle provided by AS 28.10.211, 28.10.271, or another statute, the  
9 owner of a vehicle for which the department is required or allowed under  
10 AS 28.10.201 to issue a certificate of title may obtain a transfer on death title for the  
11 vehicle under AS 13.33.401.

12 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
13 read:

14 TRANSITION: REGULATIONS. The Department of Administration may adopt  
15 regulations necessary to implement AS 13.33.401, enacted by sec. 3 of this Act. The  
16 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the  
17 effective date of sec. 3 of this Act.

18 \* **Sec. 7.** Section 6 of this Act takes effect immediately under AS 01.10.070(c).

19 \* **Sec. 8.** Except as provided in sec. 7 of this Act, this Act takes effect July 1, 2024.