

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: HB1376**

**Bill Subtitle: TO AMEND THE REQUIREMENTS IN AN APPLICATION FOR A MOTOR VEHICLE CERTIFICATE OF TITLE WITH BENEFICIARY.**

---

### **Basic Change :**

**Sponsor: Rep. Haak**

Arkansas law currently authorizes the Office of Motor Vehicle of the Department of Finance and Administration to issue a certificate of title with beneficiary if an owner of a vehicle wishes to transfer the vehicle upon death by operation of law. HB1376 repeals the requirement § 27-14-727 that the beneficiary's social security number be provided with an application for certificate of title with beneficiary.

### **Revenue Impact :**

None.

### **Taxpayer Impact :**

An owner that applies for a certificate of title with beneficiary will not be required to provide the beneficiary's social security number on the application form.

### **Resources Required :**

None.

### **Time Required :**

Adequate time has been provided.

### **Procedural Changes :**

The Office of Motor Vehicle application form for certificate of title with beneficiary would need to be updated to remove the social security number space and business process manuals would need updated. Motor Vehicle and State Revenue Office employees would need be trained.

### **Other Comments :**

None.

### **Legal Analysis :**

The Office of Motor Vehicle is authorized to issue certificates of title with beneficiary if an owner of a vehicle wants to transfer the vehicle upon death by operation of law. HB1376 repeals the requirement that the beneficiary's social security number be provided with an application for a vehicle certificate of title with beneficiary. A beneficiary's social security number would still be required on an application for a motorboat certificate of title with beneficiary.

# Department of Finance and Administration

## Legislative Impact Statement

**Bill: HB1376**

**Bill Subtitle: TO AMEND THE REQUIREMENTS IN AN APPLICATION FOR A MOTOR VEHICLE CERTIFICATE OF TITLE WITH BENEFICIARY.**

---

The Office of Motor Vehicle is required to issue a new certificate of title to a beneficiary on the death of the owner or last surviving joint owner of a vehicle. Without a social security number on the application, it may be difficult for the Office of Motor Vehicle to verify whether the applicant is the same individual as the beneficiary on the title. It is not uncommon for individuals to have the same name and same address. The bill may benefit from an amendment to require the last four digits of the beneficiary's social security number rather than the full social security number. Requiring the last four digits of the beneficiary's social security number complies with the Tax Reform Act of 1976, 42 U.S.C. § 405(c)(2)(C)(i), which allows any state, in the administration of any motor vehicle registration law, to require a social security number for the purpose of establishing the identification of individuals.