

Chapter 73

(Senate Bill 145)

AN ACT concerning

Motor Vehicles and Marine Vessels – Transfer-on-Death Designations

FOR the purpose of authorizing an individual who is the sole owner of a marine vessel or multiple individuals who co-own a marine vessel under certain ownership registrations to apply to the Department of Natural Resources to designate a beneficiary to take ownership of the marine vessel on the death of the sole owner or each co-owner; altering certain provisions of law governing the transfer-on-death designation for motor vehicles to allow multiple individuals who co-own a motor vehicle under certain ownership registrations to designate a transfer-on-death beneficiary; and generally relating to transfer-on-death beneficiaries for motor vehicles and marine vessels.

BY adding to

Article – Natural Resources
 Section 8-720.1
 Annotated Code of Maryland
 (2023 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation
 Section 13-115
 Annotated Code of Maryland
 (2020 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:

Article – Natural Resources**8-720.1.**

(A) AN INDIVIDUAL WHO IS THE SOLE OWNER OF A VESSEL OR MULTIPLE INDIVIDUALS WHO CO-OWN A VESSEL AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP OR TENANTS BY THE ENTIRETY MAY APPLY TO THE DEPARTMENT TO DESIGNATE A BENEFICIARY TO TAKE OWNERSHIP OF THE VESSEL ON THE DEATH OF THE SOLE OWNER OR THE LAST SURVIVING CO-OWNER.

(B) THE DESIGNATION OF A BENEFICIARY MAY BE SHOWN BY THE WORDS “TRANSFER-ON-DEATH” OR THE ABBREVIATION “TOD” AFTER THE NAME OF THE REGISTERED OWNER ON A CERTIFICATE OF TITLE.

(C) (1) THE DESIGNATION OF A BENEFICIARY FOR A VESSEL DOES NOT AFFECT THE OWNERSHIP OF THE VESSEL UNTIL THE DEATH OF THE SOLE OWNER OR THE LAST SURVIVING CO-OWNER OF THE VESSEL.

(2) THE DESIGNATION OF A BENEFICIARY MAY BE REVOKED OR CHANGED AT ANY TIME BEFORE THE DEATH OF THE SOLE OWNER OR THE LAST SURVIVING CO-OWNER WITHOUT THE CONSENT OF THE BENEFICIARY BY APPLYING TO THE DEPARTMENT.

(D) THE DESIGNATION OF A BENEFICIARY IS NOT REQUIRED TO BE SUPPORTED BY CONSIDERATION AND THE CERTIFICATE OF TITLE OF THE VESSEL FOR WHICH THE DESIGNATION IS MADE IS NOT REQUIRED TO BE DELIVERED TO THE BENEFICIARY IN ORDER FOR THE DESIGNATION TO BE EFFECTIVE.

(E) ON THE DEATH OF THE SOLE OWNER OR THE LAST SURVIVING CO-OWNER OF A VESSEL WHO HAS DESIGNATED A BENEFICIARY, OWNERSHIP OF THE VESSEL SHALL PASS TO THE BENEFICIARY IF THE BENEFICIARY SURVIVES THE SOLE OWNER OR THE LAST SURVIVING CO-OWNER.

(F) (1) A DESIGNATED BENEFICIARY WHO SURVIVES THE SOLE OWNER OR THE LAST SURVIVING CO-OWNER SHALL APPLY TO THE DEPARTMENT FOR A NEW CERTIFICATE OF TITLE FOR THE VESSEL.

(2) AN APPLICATION FOR A CERTIFICATE OF TITLE BY A BENEFICIARY FOLLOWING THE DEATH OF THE SOLE OWNER OR LAST SURVIVING CO-OWNER SHALL INCLUDE:

(I) THE ORIGINAL CERTIFICATE OF TITLE DESIGNATING THE BENEFICIARY;

(II) A DEATH CERTIFICATE FOR THE DECEASED SOLE OWNER OR EACH DECEASED CO-OWNER;

(III) PROOF OF THE IDENTITY OF THE BENEFICIARY; AND

(IV) ANY APPLICABLE TAXES OR FEES.

(G) IF A DESIGNATED BENEFICIARY DOES NOT SURVIVE THE DEATH OF THE SOLE OWNER OR LAST SURVIVING CO-OWNER, THE VESSEL IS PART OF THE ESTATE OF THE DECEASED SOLE OWNER OR LAST SURVIVING CO-OWNER.

(H) THIS SECTION DOES NOT LIMIT THE RIGHTS OF CREDITORS OF VESSEL OWNERS AGAINST BENEFICIARIES AND OTHER TRANSFEREES UNDER OTHER LAWS OF THE STATE.

(I) THE DEPARTMENT MAY CHARGE A FEE, NOT TO EXCEED ITS COSTS, FOR ISSUING A CERTIFICATE OF TITLE UNDER THIS SECTION.

(J) THE DEPARTMENT MAY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

Article – Transportation

13–115.

(a) An individual who is the sole owner of a motor vehicle **OR MULTIPLE INDIVIDUALS WHO CO-OWN A MOTOR VEHICLE AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP OR TENANTS BY THE ENTIRETY** may apply to the Administration to designate a beneficiary to take ownership of the motor vehicle on the death of the **SOLE owner OR THE LAST SURVIVING CO-OWNER.**

(b) The designation of a beneficiary may be shown by the words “transfer-on-death” or the abbreviation “TOD” after the name of the registered owner on a certificate of title.

(c) (1) The designation of a beneficiary for a motor vehicle does not affect the ownership of the motor vehicle until the death of the **SOLE owner OR THE LAST SURVIVING CO-OWNER** of the motor vehicle.

(2) [The owner of a motor vehicle may cancel or change the designation of a beneficiary at any time] **THE DESIGNATION OF A BENEFICIARY MAY BE REVOKED OR CHANGED AT ANY TIME BEFORE THE DEATH OF THE SOLE OWNER OR THE LAST SURVIVING CO-OWNER** without the consent of the beneficiary by applying to the Administration.

(d) The designation of a beneficiary is not required to be supported by consideration, and the certificate of title of the motor vehicle for which the designation is made is not required to be delivered to the beneficiary in order for the designation to be effective.

(e) On the death of the **SOLE owner OR THE LAST SURVIVING CO-OWNER** of a motor vehicle who has designated a beneficiary, ownership of [a] **THE** motor vehicle shall pass to the beneficiary if the beneficiary survives the **SOLE owner OR THE LAST SURVIVING CO-OWNER.**

(f) (1) A designated beneficiary who survives the **SOLE owner OR THE LAST SURVIVING CO-OWNER** shall apply to the Administration for a new certificate of title for the motor vehicle.

(2) An application for a certificate of title by a beneficiary following the death of the **SOLE owner OR LAST SURVIVING CO-OWNER** shall include:

(i) The original certificate of title designating the beneficiary;

(ii) A death certificate for the deceased **SOLE owner OR EACH DECEASED CO-OWNER**;

(iii) Proof of the identity of the beneficiary; and

(iv) Any applicable taxes or fees.

(g) If a designated beneficiary does not survive the death of the **SOLE owner OR LAST SURVIVING CO-OWNER**, the motor vehicle is part of the estate of the deceased **SOLE owner OR LAST SURVIVING CO-OWNER**.

(h) This section does not limit the rights of creditors of motor vehicle owners against beneficiaries and other transferees under other laws of this State.

(i) The Administration may charge a fee, not to exceed its costs, for issuing a certificate of title under this section.

(j) The Administration may adopt regulations to carry out this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.

Approved by the Governor, April 14, 2026.