

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 2008

91ST GENERAL ASSEMBLY

Reported from the Committee on Commerce and Environment, April 25, 2002, with recommendation that the Senate Committee Substitute do pass.

TERRY L. SPIELER, Secretary.

4676S.02C

AN ACT

To repeal sections 301.550, 301.610, 301.620, 301.640, 301.660, 301.661, 306.405, 306.410, 306.420, 306.430, 306.440, 454.516, 700.355, 700.360, 700.370, 700.380 and 700.390, RSMo, and to enact in lieu thereof fifteen new sections relating to motor vehicle dealers, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 301.550, 301.610, 301.620, 301.640, 301.660, 301.661, 306.405, 2 306.410, 306.420, 306.430, 306.440, 454.516, 700.355, 700.360, 700.370, 700.380 and 3 700.390, RSMo, are repealed and fifteen new sections enacted in lieu thereof, to be 4 known as sections 301.550, 301.610, 301.620, 301.640, 301.660, 306.405, 306.410, 5 306.420, 306.430, 306.440, 454.516, 700.355, 700.360, 700.370 and 700.380, to read as 6 follows:

301.550. 1. The definitions contained in section 301.010 shall apply to sections 2 301.550 to 301.573, and in addition as used in sections 301.550 to 301.573, the following 3 terms mean:

4 (1) "Boat dealer", any natural person, partnership, or corporation who, for a 5 commission or with an intent to make a profit or gain of money or other thing of value, 6 sells, barter, exchanges, leases or rents with the option to purchase, offers, attempts to 7 sell, or negotiates the sale of any vessel or vessel trailer, whether or not the vessel or 8 vessel trailer is owned by such person. The sale of six or more vessels or vessel trailers 9 or both in any calendar year shall be required as evidence that such person is eligible 10 for licensure as a boat dealer under sections 301.550 to 301.573. The boat dealer shall

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

11 demonstrate eligibility for renewal of his license by selling six or more vessels or vessel
12 trailers or both in the prior calendar year while licensed as a boat dealer pursuant to
13 sections 301.550 to 301.573;

14 (2) "Boat manufacturer", any person engaged in the manufacturing, assembling
15 or modification of new vessels or vessel trailers as a regular business, including a person,
16 partnership or corporation which acts for and is under the control of a manufacturer or
17 assembly in connection with the distribution of vessels or vessel trailers;

18 (3) "Department", the Missouri department of revenue;

19 (4) "Director", the director of the Missouri department of revenue;

20 (5) "Manufacturer", any person engaged in the manufacturing, assembling or
21 modification of new motor vehicles or trailers as a regular business, including a person,
22 partnership or corporation which acts for and is under the control of a manufacturer or
23 assembly in connection with the distribution of motor vehicles or accessories for motor
24 vehicles;

25 (6) "Motor vehicle broker", a person who holds himself out through solicitation,
26 advertisement, or otherwise as one who offers to arrange a transaction involving the
27 retail sale of a motor vehicle, and who is not:

28 (a) A dealer, or any agent, or any employee of a dealer when acting on behalf of
29 a dealer;

30 (b) A manufacturer, or any agent, or employee of a manufacturer when acting on
31 behalf of a manufacturer;

32 (c) The owner of the vehicle involved in the transaction; or

33 (d) A public motor vehicle auction or wholesale motor vehicle auction where
34 buyers are licensed dealers in this or any other jurisdiction;

35 (7) "Motor vehicle dealer" or "dealer", any person who, for commission or with an
36 intent to make a profit or gain of money or other thing of value, sells, barter, exchanges,
37 leases or rents with the option to purchase, or who offers or attempts to sell or negotiates
38 the sale of motor vehicles or trailers whether or not the motor vehicles or trailers are
39 owned by such person; provided, however, an individual auctioneer or auction conducted
40 by an auctioneer licensed pursuant to chapter 343, RSMo, shall not be included within
41 the definition of a motor vehicle dealer. The sale of six or more motor vehicles or trailers
42 in any calendar year shall be required as evidence that such person is engaged in the
43 motor vehicle business and is eligible for licensure as a motor vehicle dealer under
44 sections 301.550 to 301.573;

45 (8) "New motor vehicle", any motor vehicle being transferred for the first time
46 from a manufacturer, distributor or new vehicle dealer which has not been registered or

47 titled in this state or any other state and which is offered for sale, barter or exchange
48 by a dealer who is franchised to sell, barter or exchange that particular make of motor
49 vehicle. The term "new motor vehicle" shall not include manufactured homes, as defined
50 in section 700.010, RSMo;

51 (9) "New motor vehicle franchise dealer", any motor vehicle dealer who has been
52 franchised to deal in a certain make of motor vehicle by the manufacturer or distributor
53 of that make and motor vehicle and who may, in line with conducting his business as a
54 franchise dealer, sell, barter or exchange used motor vehicles;

55 (10) "Person" includes an individual, a partnership, corporation, an
56 unincorporated society or association, joint venture or any other entity;

57 (11) **"Powersport dealer", any motor vehicle dealer who sells, either**
58 **pursuant to a franchise agreement or otherwise, primarily motor vehicles**
59 **including but not limited to motorcycles, all-terrain vehicles, and personal**
60 **watercraft, as those terms are defined in this chapter and chapter 306, RSMo;**

61 (12) "Public motor vehicle auction", any person, firm or corporation who takes
62 possession of a motor vehicle whether by consignment, bailment or any other
63 arrangement, except by title, for the purpose of selling motor vehicles at a public auction
64 by a licensed auctioneer;

65 [(12)] (13) "Storage lot", an area, within the same city or county where a dealer
66 may store excess vehicle inventory;

67 [(13)] (14) "Used motor vehicle", any motor vehicle which is not a new motor
68 vehicle, as defined in sections 301.550 to 301.573, and which has been sold, bartered,
69 exchanged or given away or which may have had a title issued in this state or any other
70 state, or a motor vehicle so used as to be what is commonly known as a secondhand
71 motor vehicle. In the event of an assignment of the statement of origin from an original
72 franchise dealer to any individual or other motor vehicle dealer other than a new motor
73 vehicle franchise dealer of the same make, the vehicle so assigned shall be deemed to be
74 a used motor vehicle and a certificate of ownership shall be obtained in the assignee's
75 name. The term "used motor vehicle" shall not include manufactured homes, as defined
76 in section 700.010, RSMo;

77 [(14)] (15) "Used motor vehicle dealer", any motor vehicle dealer who is not a
78 new motor vehicle franchise dealer;

79 [(15)] (16) "Vessel", every boat and watercraft defined as a vessel in section
80 306.010, RSMo;

81 [(16)] (17) "Vessel trailer", any trailer, as defined by section 301.010 which is
82 designed and manufactured for the purposes of transporting vessels;

83 [(17)] **(18)** "Wholesale motor vehicle auction", any person, firm or corporation
84 in the business of providing auction services solely in wholesale transactions at its
85 established place of business in which the purchasers are motor vehicle dealers licensed
86 by this or any other jurisdiction, and which neither buys, sells nor owns the motor
87 vehicles it auctions in the ordinary course of its business. Except as required by law
88 with regard to the auction sale of a government owned motor vehicle, a wholesale motor
89 vehicle auction shall not provide auction services in connection with the retail sale of a
90 motor vehicle;

91 [(18)] **(19)** "Wholesale motor vehicle dealer", a motor vehicle dealer who sells
92 motor vehicles only to other new motor vehicle franchise dealers or used motor vehicle
93 dealers or via auctions limited to other dealers of any class.

94 2. For purposes of sections 301.550 to 301.573, neither the term "motor vehicle"
95 nor the term "trailer" shall include manufactured homes, as defined in section 700.010,
96 RSMo.

97 3. Dealers shall be divided into classes as follows:

- 98 (1) Boat dealers;
- 99 (2) Franchised new motor vehicle dealers;
- 100 (3) Used motor vehicle dealers;
- 101 (4) Wholesale motor vehicle dealers;
- 102 (5) Recreational motor vehicle dealers;
- 103 (6) Historic motor vehicle dealers;
- 104 (7) Classic motor vehicle dealers; and
- 105 (8) [Motorcycle] **Powersport** dealers.

301.610. 1. A certificate of ownership of a motor vehicle or trailer when issued
2 by the director of revenue shall be mailed or confirmation of such ownership shall be
3 electronically transmitted or mailed to the [first lienholder named in such certificate;
4 and if no lienholder is shown, then the certificate of ownership shall be mailed to the]
5 owner shown on the face of the title of such motor vehicle or trailer.

6 2. A lienholder may elect that the director of revenue retain possession of an
7 electronic certificate of ownership, and the director shall issue regulations to cover the
8 procedure by which such election is made. Each such certificate of ownership shall
9 require a separate election, unless the director provides otherwise by regulation. A
10 subordinate lienholder shall be bound by the election of the superior lienholder with
11 respect to the certificate involved.

12 3. "Electronic certificate of ownership" means any electronic record of ownership,
13 including a lien or liens that may be recorded.

2 301.620. If an owner creates a lien or encumbrance on a motor vehicle or trailer:

3 (1) The owner shall immediately execute the application, in the space provided
4 therefor on the certificate of ownership or on a separate form the director of revenue
5 prescribes, to name the lienholder on the certificate, showing the name and address of
6 the lienholder and the date of the lienholder's security agreement, and cause the
7 certificate, application and the required fee to be delivered to the director of revenue;

8 (2) The lienholder or an authorized agent licensed pursuant to sections 301.112
9 to 301.119 shall deliver to the director of revenue a notice of lien as prescribed by the
10 director accompanied by all other necessary documentation to perfect a lien as provided
11 in section 301.600;

12 (3) [Upon request of the owner or subordinate lienholder, a lienholder in
13 possession of the certificate of ownership shall either mail or deliver the certificate to the
14 subordinate lienholder for delivery to the director of revenue or, upon receipt from the
15 subordinate lienholder of the owner's application, the certificate and the required fee,
16 mail or deliver them to the director of revenue with the certificate. The delivery of the
17 certificate does not affect the rights of the first lienholder under the security agreement.]
18 **perfect a lien for a subordinate lienholder when a transfer of ownership**
19 **occurs, the subordinate lienholder shall either mail or deliver or cause to be**
20 **mailed or delivered, a completed notice of lien to the department of revenue,**
21 **accompanied by authorization from the first lienholder. The owner shall**
22 **ensure the subordinate lienholder is recorded on the application for title at**
23 **the time the application is made to the department of revenue. To perfect a**
24 **lien for a subordinate lienholder when there is no transfer of ownership, the**
25 **owner or lienholder in possession of the certificate, shall either mail or**
26 **deliver or cause to be mailed or delivered, the owner's application for title,**
27 **certificate, notice of lien, authorization from the first lienholder and title fee**
28 **to the department of revenue. The delivery of the certificate and executing**
29 **a notice of authorization to add a subordinate lien does not affect the rights**
30 **of the first lienholder under the security agreement;**

31 (4) Upon receipt of the [certificate, application and the required fee] **documents**
32 **and fee required in subdivision (3) of this section,** the director of revenue shall
33 issue a new certificate of ownership containing the name and address of the new
34 lienholder, and shall mail the certificate as prescribed in section 301.610 or if a
35 lienholder who has elected for the director of revenue to retain possession of an
36 electronic certificate of ownership the lienholder shall either mail or deliver to the
37 director a notice of authorization for the director to add a subordinate lienholder to the

38 existing certificate. Upon receipt of such authorization [and], a notice of lien **and**
39 **required documents and title fee, if applicable**, from a subordinate lienholder, the
40 director shall add the subordinate lienholder to the certificate of ownership being
41 electronically retained by the director and provide confirmation of the addition to both
42 lienholders;

43 **(5) Failure of the owner to name the lienholder in the application for**
44 **title, as provided in this section is a class C felony.**

301.640. 1. Upon the satisfaction of any lien or encumbrance of a motor vehicle
2 or trailer [for which the certificate of ownership is in possession of the lienholder], the
3 lienholder shall, within ten business days release the lien or encumbrance on the
4 certificate **or a separate document**, and mail or deliver the certificate [to the next
5 lienholder named therein, or, if none,] **or a separate document** to the owner or any
6 person who delivers to the lienholder an authorization from the owner to receive the
7 certificate **or such documentation. The release on the certificate or separate**
8 **document shall be notarized. Each perfected subordinate lienholder if any,**
9 **shall release such lien or encumbrance as provided in this section for the first**
10 **lienholder.** The owner may cause the certificate to be mailed or delivered to the
11 director of revenue, who shall issue a new certificate of ownership upon application and
12 payment of the required fee. A lien or encumbrance shall be satisfied for the purposes
13 of this section when a lienholder receives payment in full in the form of certified funds,
14 as defined in section 381.410, RSMo.

15 2. If the electronic certificate of ownership is in the possession of the director of
16 revenue, the lienholder shall notify the director within ten business days of any release
17 of a lien and provide the director with the most current address of the owner. The
18 director shall note such release on the electronic certificate and if no other lien exists the
19 director shall mail or deliver the certificate free of any lien to the owner.

20 3. [Upon the satisfaction of any lien or encumbrance in a motor vehicle or trailer
21 for which a certificate is in possession of a prior lienholder, the lienholder whose lien or
22 encumbrance is satisfied shall within ten business days release the lien or encumbrance
23 on the certificate and deliver the certificate to the owner or any person who delivers to
24 the lienholder an authorization from the owner to receive it. The lienholder in
25 possession of the certificate shall at the request of the owner and upon surrender of the
26 certificate of title by the owner and receipt of the required fee, either mail or deliver the
27 certificate of ownership to the director of revenue, or deliver the certificate to the owner,
28 or the person authorized by the owner, for delivery to the director of revenue, who shall
29 issue a new certificate.

30 4.] If the purchase price of a motor vehicle or trailer did not exceed six thousand
31 dollars at the time of purchase, a lien or encumbrance which was not perfected by a
32 motor vehicle financing corporation whose net worth exceeds one hundred million
33 dollars, or a depository institution, shall be considered satisfied within six years from
34 the date the lien or encumbrance was originally perfected unless a new lien or
35 encumbrance has been perfected as provided in section 301.600. This subsection does
36 not apply to motor vehicles or trailers for which the certificate of ownership has recorded
37 in the second lienholder portion the words "subject to future advances".

38 [5.] 4. Any lienholder who fails to comply with subsection 1[,] or 2 [or 3] of this
39 section shall pay to the person or persons satisfying the lien or encumbrance twenty-five
40 dollars for the first ten business days after expiration of the time period prescribed in
41 subsection 1[,] or 2 [or 3] of this section, and such payment shall double for each ten
42 days thereafter in which there is continued noncompliance, up to a maximum of five
43 hundred dollars for each lien. If delivery of the certificate **or other lien release** is
44 made by mail, the delivery date is the date of the postmark for purposes of this
45 subsection.

 301.660. All transactions involving liens or encumbrances on motor vehicles or
2 trailers entered into before [July 1, 1991] **August 28, 2002**, and the rights, duties and
3 interests flowing from them remain valid thereafter and may be terminated, completed,
4 consummated or enforced as required or permitted by any statute or other law amended
5 or repealed by sections 301.600 to 301.660 as though the repeal or amendment had not
6 occurred.

 306.405. 1. All certificates of title of an outboard motor, motorboat, vessel, or
2 watercraft issued by the director of revenue shall be mailed or confirmation of such
3 ownership shall be electronically transmitted [or mailed to the first lienholder named
4 in such certificate or, if no lienholder is named,] to the owner named therein.

5 2. A lienholder may elect to have the director of revenue retain possession of an
6 electronic certificate of title and the director shall issue regulations to govern the
7 procedure for making such an election. Each such certificate of title shall require a
8 separate election unless the director provides otherwise by regulation. A subordinate
9 lienholder shall be bound by the election of the superior lienholder with respect to the
10 certificate involved.

11 3. "Electronic certificate of title" means any electronic record of ownership,
12 including liens that may be recorded.

 306.410. If an owner creates a lien or encumbrance on an outboard motor,
2 motorboat, vessel, or watercraft:

3 (1) The owner shall immediately execute the application, either in the space
4 provided therefor on the certificate of title or on a separate form the director of revenue
5 prescribes, to name the lienholder on the certificate of title, showing the name and
6 address of the lienholder and the date of his or her security agreement, and shall cause
7 the certificate of title, the application and the required fee to be mailed or delivered to
8 the director of revenue. Failure of the owner to do so is a class [A misdemeanor] **C**
9 **felony;**

10 (2) The lienholder or an authorized agent licensed pursuant to sections 301.112
11 to 301.119, RSMo, shall deliver to the director of revenue a notice of lien as prescribed
12 by the director accompanied by all other necessary documentation to perfect a lien
13 pursuant to section 306.400;

14 (3) [Upon request of the owner or subordinate lienholder, a lienholder in
15 possession of the certificate of title who receives the owner's application and required fee
16 shall mail or deliver the certificate of title, application, and fee to the director of revenue,
17 unless such certificate of title secures future advance liens. The delivery of the
18 certificate of title to the director of revenue shall not affect the rights of the first
19 lienholder under his or her security agreement] **To perfect a lien for a subordinate**
20 **lienholder when a transfer of ownership occurs, the subordinate lienholder**
21 **shall either mail or deliver or cause to be mailed or delivered, a completed**
22 **notice of lien to the department of revenue, accompanied by authorization**
23 **from the first lienholder. The owner shall ensure the subordinate lienholder**
24 **is recorded on the application for title at the time the application is made to**
25 **the department of revenue. To perfect a lien for a subordinate lienholder**
26 **when there is no transfer of ownership, the owner or lienholder in possession**
27 **of the certificate, shall either mail or deliver or cause to be mailed or**
28 **delivered, the owner's application for title, certificate, notice of lien,**
29 **authorization from the first lienholder and title fee to the department of**
30 **revenue. The delivery of the certificate and executing a notice of**
31 **authorization to add a subordinate lien does not affect the rights of the first**
32 **lienholder under the security agreement;**

33 (4) Upon receipt of the [certificate of title, application and the required fee]
34 **documents and fee required in subdivision (3) of this section,** the director of
35 revenue shall issue a new certificate of title containing the name and address of the new
36 lienholder, and mail the certificate of title to the first lienholder named in it or if a
37 lienholder has elected to have the director of revenue retain possession of an electronic
38 certificate of title, the lienholder shall either mail or deliver to the director a notice of

39 authorization for the director to add a subordinate lienholder to the existing certificate
40 **as prescribed in section 306.405.** Upon receipt of such authorization and a notice
41 of lien from a subordinate lienholder, the director shall add the subordinate lienholder
42 to the certificate of title being electronically retained by the director and provide
43 confirmation of the addition to both lienholders.

306.420. 1. Upon the satisfaction of a lien or encumbrance on an outboard motor,
2 motorboat, vessel, or watercraft [for which the certificate of title is in the possession of
3 the lienholder and provided the owner waives any rights to future advances subject to
4 a lien in this chapter], the lienholder shall, within ten days [after demand and, in any
5 event, within thirty days,] execute a release of his or her lien or encumbrance, **on the**
6 **certificate or separate document**, and mail or deliver the certificate [and release to
7 the next lienholder named therein, or, if no other lienholder is so named,] **or separate**
8 **document** to the owner or any person who delivers to the lienholder an authorization
9 from the owner to receive the [certificate.] **documentation. The release on the**
10 **certificate or separate document shall be notarized. Each perfected**
11 **subordinate lienholder, if any, shall release such lien or encumbrance as**
12 **provided in this section for the first lienholder.** The owner may cause the
13 certificate of title, the release, and the required fee to be mailed or delivered to the
14 director of revenue, who shall release the lienholder's rights on the certificate and issue
15 a new certificate of title.

16 2. [Upon the satisfaction of a second or third lien or encumbrance on an outboard
17 motor, motorboat, vessel, or watercraft for which the certificate of title is in the
18 possession of the first lienholder, the lienholder whose lien or encumbrance is satisfied
19 shall, within ten days after demand, and, in any event, within thirty days, execute a
20 release and deliver the release to the owner or any person who delivers to the lienholder
21 an authorization from the owner to receive it. The lienholder in possession of the
22 certificate of title shall, at the request of the owner and upon receipt of the release and
23 the required fee, either mail or deliver the certificate, the release, and the required fee
24 to the director of revenue, or deliver the certificate of title to the owner, or the person
25 authorized by him or her, for delivery of the certificate, the release and required fee to
26 the director of revenue, who shall release the subordinate lienholder's rights on the
27 certificate of title and issue a new certificate of title.

28 3.] If the electronic certificate of title is in the possession of the director of
29 revenue, the lienholder shall notify the director within ten business days of any release
30 of lien and provide the director with the most current address of the owner. The director
31 shall note such release on the electronic certificate and if no other lien exists, the

32 director shall mail or deliver the certificate free of any lien to the owner.

306.430. All transactions involving liens or encumbrances on outboard motors,
2 motorboats, vessels, or watercraft entered into before [April 1, 1986] **August 28, 2002**,
3 and the rights, duties, and interests flowing from such transactions shall remain valid
4 after [April 1, 1986] **August 28, 2002**, and may be terminated, completed,
5 consummated, or enforced as required or permitted by any statute or other law amended
6 or repealed by sections 306.400 to 306.430 as though such repeal or amendment had not
7 occurred.

306.440. Failure by the owner to indicate the lienholder of a lien or encumbrance
2 attached to the outboard motor, motorboat, vessel, or watercraft at time of making
3 application for title is a class [A misdemeanor] **C felony**.

454.516. 1. The director or IV-D agency may cause a lien pursuant to subsection
2 2 of this section or the obligee may cause a lien pursuant to subsection [9] **8** of this
3 section for unpaid and delinquent child support to [be placed upon] **block the issuance**
4 **of a certificate of ownership for** motor vehicles, motor boats, outboard motors,
5 manufactured homes and trailers that are registered in the name of a delinquent child
6 support obligor[, if the title to the property is held by a lienholder].

7 2. The director or IV-D agency shall notify the department of revenue with the
8 required information necessary to impose a lien pursuant to this section by filing a notice
9 of lien, and the department of revenue shall notify the lienholder of the existence of such
10 lien.

11 3. The department of revenue shall not register the lien unless:

12 (1) The director of revenue or the director's designee determines that the obligor
13 has unpaid child support which exceeds one thousand dollars;

14 (2) The property has a value of more than three thousand dollars as determined
15 by current industry publications that provide such estimates to dealers in the business,
16 and the property's year of manufacture is within seven years of the date of filing of the
17 lien except in the case of a motor vehicle that has been designated a historic vehicle;

18 (3) The property has no more than two existing liens for child support;

19 (4) The property has had no more than three prior liens for child support in the
20 same calendar year.

21 4. In the event that a lien is placed and the obligor's total support obligation is
22 eliminated, the director shall notify the department of revenue that the lien shall be
23 removed.

24 5. Upon notification by the director that a lien exists pursuant to this section, the
25 department of revenue shall [send a sticker of impaired title in an envelope which says

26 prominently "important legal document" to the lienholder] **register the lien on the**
27 **records of the department of revenue.** Such [sticker] **registration** shall contain
28 the type and model of the property, the serial number of the property and the
29 identification number of the obligor [and shall be properly affixed to the certificate of
30 title by the lienholder].

31 6. Upon notification by the director that the lien shall be removed pursuant to
32 subsection 4 of this section, the department of revenue shall [send a void sticker to the
33 lienholder and such void sticker shall be properly affixed to the certificate of title by the
34 lienholder covering the impaired title sticker. Such sticker] **register such removal of**
35 **lien on its data bank, that** shall contain the type and model of the property, the serial
36 number of the property and the identification number of the obligor.

37 7. When [a lienholder] **the department of revenue** has received notice of a
38 lien created by the division or IV-D agency pursuant to this section and the obligor
39 thereafter satisfies the debt to that lienholder, the [lienholder] **department of revenue**
40 shall mail to the division or IV-D agency the [certificate of ownership] **satisfaction of**
41 **lien or encumbrance in the form required by the department of revenue** on the
42 motor vehicle, motor boat, outboard motor, manufactured home or trailer. The division
43 or IV-D agency may hold [the certificate of ownership] **such satisfaction** until the child
44 support obligation is satisfied, or levy and execute on the motor vehicle, motor boat,
45 outboard motor, manufactured home or trailer and sell same, at public sale, in order to
46 satisfy the debt. [A lienholder shall inform dealers in the business of motor vehicles,
47 motor boats, manufactured homes and trailers, upon request, of the existence or
48 nonexistence of a lien imposed by the division pursuant to this section.]

49 8. [A good faith purchaser for value without notice of the lien or a lender without
50 notice of the lien takes free of the lien.

51 9.] In cases which are not IV-D cases, to cause a lien pursuant to the provisions
52 of this section the obligee or the obligee's attorney shall file notice of the lien with the
53 [lienholder or payor] **department of revenue.** This notice shall have attached a
54 certified copy of the court order with all modifications and a sworn statement by the
55 obligee or a certified statement from the court attesting to or certifying the amount of
56 arrearages.

57 **9. Notwithstanding any other law to the contrary, the department of**
58 **revenue shall maintain a child support lien data base that may be collected**
59 **against the owner on a certificate of ownership provided for by chapters 301,**
60 **306 and 700, RSMo. To determine any existing liens for child support**
61 **pursuant to this section, the lienholder, dealer or buyer may inquire**

62 **electronically into the database.**

700.355. [All certificates of title to a manufactured home issued by the director
2 of revenue shall be mailed or otherwise delivered to the first lienholder named in such
3 certificate or, if no lienholder is named, to the owner named therein.] **1. A certificate
4 of title to the manufactured home when issued by the director of revenue
5 shall be mailed or confirmation of such title shall be electronically
6 transmitted or mailed to the owner shown on the face of the title of such
7 manufactured home.**

**2. A lienholder may elect that the director of revenue retain possession
9 of an electronic certificate of title, and the director shall issue regulations to
10 cover the procedure by which such election is made. Each such certificate of
11 title shall require a separate election, unless the director provides otherwise
12 by regulation. A subordinate lienholder shall be bound by the election of the
13 superior lienholder with respect to the certificate involved.**

**3. "Electronic certificate of ownership" means any electronic record of
15 title, including a lien or liens that may be recorded.**

700.360. If an owner creates a lien or encumbrance on a manufactured home:

(1) The owner shall immediately execute the application, either in the space
4 provided therefor on the certificate of title or on a separate form the director of revenue
5 prescribes, to name the lienholder on the certificate of title, showing the name and
6 address of the lienholder and the date of his security agreement, and shall cause the
7 certificate of title, the application and the required fee to be mailed or delivered to the
8 director of revenue. Failure of the owner to [do so is a class A misdemeanor] **name the
9 lienholder in such application is a class C felony;**

(2) [Upon request of The owner or subordinate lienholder, a lienholder in
11 possession of the certificate of title who receives the owner's application and required fee
12 shall mail or deliver the certificate of title, application, and fee to the director of
13 revenue. The delivery of the certificate of title to the director of revenue shall not affect
14 the rights of the first lienholder under his security agreement;

(3) Upon receipt of the certificate of title, application and the required fee, the
16 director of revenue shall issue a new certificate of title containing the name and address
17 of the new lienholder, and mail the certificate of title to the first lienholder named in
18 it.] **The lienholder or an authorized agent licensed pursuant to sections
19 301.112 to 301.119, RSMo, shall deliver to the director of revenue a notice of
20 lien as prescribed by the director accompanied by all other necessary
21 documentation to perfect a lien as provided in this section;**

22 **(3) To perfect a lien for a subordinate lienholder when a transfer of**
23 **ownership occurs, the subordinate lienholder shall either mail or deliver or**
24 **cause to be mailed or delivered, a completed notice of lien to the department**
25 **of revenue, accompanied by authorization from the first lienholder. The**
26 **owner shall ensure the subordinate lienholder is recorded on the application**
27 **for title at the time the application is made to the department of revenue. To**
28 **perfect a lien for a subordinate lienholder when there is no transfer of**
29 **ownership, the owner or lienholder in possession of the certificate, shall**
30 **either mail or deliver or cause to be mailed or delivered, the owner's**
31 **application for title, certificate, notice of lien, authorization from the first**
32 **lienholder and title fee to the department of revenue. The delivery of the**
33 **certificate and executing a notice of authorization to add a subordinate lien**
34 **does not affect the rights of the first lienholder under the security agreement;**

35 **(4) Upon receipt of the documents and fee required in subdivision (3)**
36 **of this section, the director of revenue shall issue a new certificate of**
37 **ownership containing the name and address of the new lienholder, and shall**
38 **mail the certificate as prescribed in section 700.355, or if a lienholder who has**
39 **elected for the director of revenue to retain possession of an electronic**
40 **certificate of ownership the lienholder shall either mail or deliver to the**
41 **director a notice of authorization for the director to add a subordinate**
42 **lienholder to the existing certificate. Upon receipt of such authorization, a**
43 **notice of lien and required documents and title fee, if applicable, from a**
44 **subordinate lienholder, the director shall add the subordinate lienholder to**
45 **the certificate of ownership being electronically retained by the director and**
46 **provide confirmation of the addition to both lienholders.**

700.370. [1.] Upon the satisfaction of a lien or encumbrance on a manufactured
2 home [for which the certificate of title is in the possession of the lienholder], the
3 lienholder shall, within ten days after demand, [and, in any event, within thirty days,
4 execute a] release [of his] **the lien or encumbrance on the certificate or a separate**
5 **document**, and mail or deliver the certificate [and release to the next lienholder named
6 therein, or, if no other lienholder is so named] **or separate document**, to the owner
7 or any person who delivers to the lienholder an authorization from the owner to receive
8 the certificate **or separate document. Each perfected subordinate lienholder,**
9 **if any, shall release such lien or encumbrance as provided in this section for**
10 **the first lienholder. The release on the certificate or separate document shall**
11 **be notarized.** The owner may cause the certificate of title, the release, and the
12 required fee to be mailed or delivered to the director of revenue, who shall release the

13 lienholder's rights on the certificate and issue a new certificate of title.

14 [2. Upon the satisfaction of a second or third lien or encumbrance on a
15 manufactured home for which the certificate of title is in the possession of the first
16 lienholder, the lienholder whose lien or encumbrance is satisfied shall, within ten days
17 after demand, and, in any event, within thirty days, execute a release and deliver the
18 release to the owner or any person who delivers to the lienholder an authorization from
19 the owner to receive it. The lienholder in possession of the certificate of title shall, at
20 the request of the owner and upon receipt of the release and the required fee, either mail
21 or deliver the certificate, the release, and the required fee to the director of revenue, or
22 deliver the certificate of title to the owner, or the person authorized by him, for delivery
23 of the certificate, the release and required fee to the director of revenue, who shall
24 release the subordinate lienholder's rights on the certificate of title and issue a new
25 certificate of title.]

700.380. All transactions involving liens or encumbrances on manufactured
2 homes entered into before [December 31, 1985] **August 28, 2002**, and the rights, duties,
3 and interests flowing from such transactions shall remain valid [after December 31,
4 1985] **thereafter**, and may be terminated, completed, consummated, or enforced as
5 required or permitted by any statute or other law amended or repealed by sections
6 700.350 to 700.380 as though such repeal or amendment had not occurred.

[301.661. The changes in sections 301.190, 301.610, 301.620,
2 301.630 and 301.640 made through the provisions of house bill no. 884, as
3 enacted in the second regular session of the eighty-sixth general assembly
4 are remedial and should be given that construction.]

[700.390. Failure by the owner to indicate the lienholder of a lien
2 or encumbrance attached to the manufactured home at time of making
3 application for title is a class A misdemeanor.]

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