

HB 550 -- LIENS AND ENCUMBRANCES ON MOTOR VEHICLES, TRAILERS,
WATERCRAFT, AND MANUFACTURED HOMES

SPONSOR: Day

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on
Financial Institutions by a vote of 12 to 0.

This bill changes the laws regarding liens and encumbrances on
motor vehicles, trailers, watercraft, and manufactured homes.

The notice of lien on a motor vehicle or trailer is perfected
when it is created if delivered within 30 days to the Director of
the Department of Revenue; otherwise, it is perfected at the time
of delivery. The notice must contain complete and legible
documents including the name and address of the owner and the
secured party; a description of the vehicle or trailer, including
the vehicle identification number; and any information as
prescribed by the department. The department director must
confirm receipt by mail or electronically as soon as possible but
no later than 15 business days after the filing of the notice of
lien.

When refinancing a loan on a motor vehicle, trailer, outboard
motor, watercraft, or manufactured home, a notice of lien that is
completed by the refinancing lender in a prescribed format is
perfected upon delivery to the department director.

FISCAL NOTE: No impact on state funds in FY 2012, FY 2013, and
FY 2014.

PROPONENTS: Supporters say that the bill will allow a consumer
to get a better rate when refinancing a loan. Currently, if a
consumer wants to refinance a loan and he or she is dealing with
an out-of-state lender, the consumer is not able to refinance at
the lower rate because of the time it takes to get a lien notice
completed.

Testifying for the bill were Representative Day; Missouri Bankers
Association; and Missouri Credit Union Association.

OPPONENTS: There was no opposition voiced to the committee.