

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1150
96TH GENERAL ASSEMBLY

Reported from the Committee on Transportation, May 3, 2012, with recommendation that the Senate Committee Substitute do pass.

4966S.03C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 301.190, 301.193, and 301.227, RSMo, and to enact in lieu thereof three new sections relating to the issuance of certificate of titles for motor vehicles.

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

Section A. Sections 301.190, 301.193, and 301.227, RSMo, are repealed
2 and three new sections enacted in lieu thereof, to be known as sections 301.190,
3 301.193, and 301.227, to read as follows:

301.190. 1. No certificate of registration of any motor vehicle or trailer,
2 or number plate therefor, shall be issued by the director of revenue unless the
3 applicant therefor shall make application for and be granted a certificate of
4 ownership of such motor vehicle or trailer, or shall present satisfactory evidence
5 that such certificate has been previously issued to the applicant for such motor
6 vehicle or trailer. Application shall be made within thirty days after the
7 applicant acquires the motor vehicle or trailer upon a blank form furnished by the
8 director of revenue and shall contain the applicant's identification number, a full
9 description of the motor vehicle or trailer, the vehicle identification number, and
10 the mileage registered on the odometer at the time of transfer of ownership, as
11 required by section 407.536, together with a statement of the applicant's source
12 of title and of any liens or encumbrances on the motor vehicle or trailer, provided
13 that for good cause shown the director of revenue may extend the period of time
14 for making such application. When an owner wants to add or delete a name or
15 names on an application for certificate of ownership of a motor vehicle or trailer

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

16 that would cause it to be inconsistent with the name or names listed on the notice
17 of lien, the owner shall provide the director with documentation evidencing the
18 lienholder's authorization to add or delete a name or names on an application for
19 certificate of ownership.

20 2. The director of revenue shall use reasonable diligence in ascertaining
21 whether the facts stated in such application are true and shall, to the extent
22 possible without substantially delaying processing of the application, review any
23 odometer information pertaining to such motor vehicle that is accessible to the
24 director of revenue. If satisfied that the applicant is the lawful owner of such
25 motor vehicle or trailer, or otherwise entitled to have the same registered in his
26 name, the director shall thereupon issue an appropriate certificate over his
27 signature and sealed with the seal of his office, procured and used for such
28 purpose. The certificate shall contain on its face a complete description, vehicle
29 identification number, and other evidence of identification of the motor vehicle
30 or trailer, as the director of revenue may deem necessary, together with the
31 odometer information required to be put on the face of the certificate pursuant to
32 section 407.536, a statement of any liens or encumbrances which the application
33 may show to be thereon, and, if ownership of the vehicle has been transferred, the
34 name of the state issuing the transferor's title and whether the transferor's
35 odometer mileage statement executed pursuant to section 407.536 indicated that
36 the true mileage is materially different from the number of miles shown on the
37 odometer, or is unknown.

38 3. The director of revenue shall appropriately designate on the current
39 and all subsequent issues of the certificate the words "Reconstructed Motor
40 Vehicle", "Motor Change Vehicle", "Specially Constructed Motor Vehicle", or
41 "Non-USA-Std Motor Vehicle", as defined in section 301.010. Effective July 1,
42 1990, on all original and all subsequent issues of the certificate for motor vehicles
43 as referenced in subsections 2 and 3 of section 301.020, the director shall print
44 on the face thereof the following designation: "Annual odometer updates may be
45 available from the department of revenue.". On any duplicate certificate, the
46 director of revenue shall reprint on the face thereof the most recent of either:

47 (1) The mileage information included on the face of the immediately prior
48 certificate and the date of purchase or issuance of the immediately prior
49 certificate; or

50 (2) Any other mileage information provided to the director of revenue, and
51 the date the director obtained or recorded that information.

52 4. The certificate of ownership issued by the director of revenue shall be
53 manufactured in a manner to prohibit as nearly as possible the ability to alter,
54 counterfeit, duplicate, or forge such certificate without ready detection. In order
55 to carry out the requirements of this subsection, the director of revenue may
56 contract with a nonprofit scientific or educational institution specializing in the
57 analysis of secure documents to determine the most effective methods of
58 rendering Missouri certificates of ownership nonalterable or noncounterfeitable.

59 5. The fee for each original certificate so issued shall be eight dollars and
60 fifty cents, in addition to the fee for registration of such motor vehicle or trailer.
61 If application for the certificate is not made within thirty days after the vehicle
62 is acquired by the applicant, a delinquency penalty fee of twenty-five dollars for
63 the first thirty days of delinquency and twenty-five dollars for each thirty days
64 of delinquency thereafter, not to exceed a total of two hundred dollars, but such
65 penalty may be waived by the director for a good cause shown. If the director of
66 revenue learns that any person has failed to obtain a certificate within thirty
67 days after acquiring a motor vehicle or trailer or has sold a vehicle without
68 obtaining a certificate, he shall cancel the registration of all vehicles registered
69 in the name of the person, either as sole owner or as a co-owner, and shall notify
70 the person that the cancellation will remain in force until the person pays the
71 delinquency penalty fee provided in this section, together with all fees, charges
72 and payments which the person should have paid in connection with the
73 certificate of ownership and registration of the vehicle. The certificate shall be
74 good for the life of the motor vehicle or trailer so long as the same is owned or
75 held by the original holder of the certificate and shall not have to be renewed
76 annually.

77 6. Any applicant for a certificate of ownership requesting the department
78 of revenue to process an application for a certificate of ownership in an
79 expeditious manner requiring special handling shall pay a fee of five dollars in
80 addition to the regular certificate of ownership fee.

81 7. It is unlawful for any person to operate in this state a motor vehicle or
82 trailer required to be registered under the provisions of the law unless a
83 certificate of ownership has been applied for as provided in this section.

84 8. Before an original Missouri certificate of ownership is issued, an
85 inspection of the vehicle and a verification of vehicle identification numbers shall
86 be made by the Missouri state highway patrol on vehicles for which there is a
87 current title issued by another state if a Missouri salvage certificate of title has

88 been issued for the same vehicle but no prior inspection and verification has been
89 made in this state, except that if such vehicle has been inspected in another state
90 by a law enforcement officer in a manner comparable to the inspection process in
91 this state and the vehicle identification numbers have been so verified, the
92 applicant shall not be liable for the twenty-five dollar inspection fee if such
93 applicant submits proof of inspection and vehicle identification number
94 verification to the director of revenue at the time of the application. The
95 applicant, who has such a title for a vehicle on which no prior inspection and
96 verification have been made, shall pay a fee of twenty-five dollars for such
97 verification and inspection, payable to the director of revenue at the time of the
98 request for the application, which shall be deposited in the state treasury to the
99 credit of the state highways and transportation department fund.

100 9. Each application for an original Missouri certificate of ownership for
101 a vehicle which is classified as a reconstructed motor vehicle, specially
102 constructed motor vehicle, kit vehicle, motor change vehicle, non-USA-std motor
103 vehicle, or other vehicle as required by the director of revenue shall be
104 accompanied by a vehicle examination certificate issued by the Missouri state
105 highway patrol, or other law enforcement agency as authorized by the director of
106 revenue. The vehicle examination shall include a verification of vehicle
107 identification numbers and a determination of the classification of the
108 vehicle. The owner of a vehicle which requires a vehicle examination certificate
109 shall present the vehicle for examination and obtain a completed vehicle
110 examination certificate prior to submitting an application for a certificate of
111 ownership to the director of revenue. **Notwithstanding any provision of the**
112 **law to the contrary, an owner presenting a motor vehicle which has**
113 **been issued a salvage title and which is eleven years of age or older to**
114 **a vehicle examination described in this subsection in order to obtain**
115 **a certificate of ownership with the designation prior salvage motor**
116 **vehicle, shall not be required to repair or restore the vehicle to its**
117 **original appearance in order to pass or complete the vehicle**
118 **examination.** The fee for the vehicle examination application shall be
119 twenty-five dollars and shall be collected by the director of revenue at the time
120 of the request for the application and shall be deposited in the state treasury to
121 the credit of the state highways and transportation department fund. If the
122 vehicle is also to be registered in Missouri, the safety inspection required in
123 chapter 307 and the emissions inspection required under chapter 643 shall be

124 completed and the fees required by section 307.365 and section 643.315 shall be
125 charged to the owner.

126 10. When an application is made for an original Missouri certificate of
127 ownership for a motor vehicle previously registered or titled in a state other than
128 Missouri or as required by section 301.020, it shall be accompanied by a current
129 inspection form certified by a duly authorized official inspection station as
130 described in chapter 307. The completed form shall certify that the
131 manufacturer's identification number for the vehicle has been inspected, that it
132 is correctly displayed on the vehicle and shall certify the reading shown on the
133 odometer at the time of inspection. The inspection station shall collect the same
134 fee as authorized in section 307.365 for making the inspection, and the fee shall
135 be deposited in the same manner as provided in section 307.365. If the vehicle
136 is also to be registered in Missouri, the safety inspection required in chapter 307
137 and the emissions inspection required under chapter 643 shall be completed and
138 only the fees required by section 307.365 and section 643.315 shall be charged to
139 the owner. This section shall not apply to vehicles being transferred on a
140 manufacturer's statement of origin.

141 11. Motor vehicles brought into this state in a wrecked or damaged
142 condition or after being towed as an abandoned vehicle pursuant to another
143 state's abandoned motor vehicle procedures shall, in lieu of the inspection
144 required by subsection 10 of this section, be inspected by the Missouri state
145 highway patrol in accordance with subsection 9 of this section. If the inspection
146 reveals the vehicle to be in a salvage or junk condition, the director shall so
147 indicate on any Missouri certificate of ownership issued for such vehicle. Any
148 salvage designation shall be carried forward on all subsequently issued
149 certificates of title for the motor vehicle.

150 12. When an application is made for an original Missouri certificate of
151 ownership for a motor vehicle previously registered or titled in a state other than
152 Missouri, and the certificate of ownership has been appropriately designated by
153 the issuing state as a reconstructed motor vehicle, motor change vehicle, specially
154 constructed motor vehicle, or prior salvage vehicle, the director of revenue shall
155 appropriately designate on the current Missouri and all subsequent issues of the
156 certificate of ownership the name of the issuing state and such prior
157 designation. The absence of any prior designation shall not relieve a transferor
158 of the duty to exercise due diligence with regard to such certificate of ownership
159 prior to the transfer of a certificate. If a transferor exercises any due diligence

160 with regard to a certificate of ownership, the legal transfer of a certificate of
161 ownership without any designation that is subsequently discovered to have or
162 should have had a designation shall be a transfer free and clear of any liabilities
163 of the transferor associated with the missing designation.

164 13. When an application is made for an original Missouri certificate of
165 ownership for a motor vehicle previously registered or titled in a state other than
166 Missouri, and the certificate of ownership has been appropriately designated by
167 the issuing state as non-USA-std motor vehicle, the director of revenue shall
168 appropriately designate on the current Missouri and all subsequent issues of the
169 certificate of ownership the words "Non-USA-Std Motor Vehicle".

170 14. The director of revenue and the superintendent of the Missouri state
171 highway patrol shall make and enforce rules for the administration of the
172 inspections required by this section.

173 15. Each application for an original Missouri certificate of ownership for
174 a vehicle which is classified as a reconstructed motor vehicle, manufactured forty
175 or more years prior to the current model year, and which has a value of three
176 thousand dollars or less shall be accompanied by:

177 (1) A proper affidavit submitted by the owner explaining how the motor
178 vehicle or trailer was acquired and, if applicable, the reasons a valid certificate
179 of ownership cannot be furnished;

180 (2) Photocopies of receipts, bills of sale establishing ownership, or titles,
181 and the source of all major component parts used to rebuild the vehicle;

182 (3) A fee of one hundred fifty dollars in addition to the fees described in
183 subsection 5 of this section. Such fee shall be deposited in the state treasury to
184 the credit of the state highways and transportation department fund; and

185 (4) An inspection certificate, other than a motor vehicle examination
186 certificate required under subsection 9 of this section, completed and issued by
187 the Missouri state highway patrol, or other law enforcement agency as authorized
188 by the director of revenue. The inspection performed by the highway patrol or
189 other authorized local law enforcement agency shall include a check for stolen
190 vehicles. The department of revenue shall issue the owner a certificate of
191 ownership designated with the words "Reconstructed Motor Vehicle" and deliver
192 such certificate of ownership in accordance with the provisions of this
193 chapter. Notwithstanding subsection 9 of this section, no owner of a
194 reconstructed motor vehicle described in this subsection shall be required to
195 obtain a vehicle examination certificate issued by the Missouri state highway

196 patrol.

301.193. 1. Any person who purchases or is the owner of real property on
2 which vehicles, as defined in section [301.011] **301.010**, vessels or watercraft, as
3 defined in section 306.010, or outboard motors, as that term is used in section
4 306.530, have been abandoned, without the consent of said purchaser or owner
5 of the real property, may apply to the department of revenue for a certificate of
6 title. [Any insurer which purchases a vehicle through the claims adjustment
7 process for which the insurer is unable to obtain a negotiable title may make an
8 application to the department of revenue for a salvage certificate of title pursuant
9 to this section.] Prior to making application for a certificate of title on a vehicle
10 under this section, the [insurer or] owner of the real estate shall have the vehicle
11 inspected by law enforcement pursuant to subsection 9 of section 301.190, and
12 shall have law enforcement perform a check in the national crime information
13 center and any appropriate statewide law enforcement computer to determine if
14 the vehicle has been reported stolen and the name and address of the person to
15 whom the vehicle was last titled and any lienholders of record. The [insurer or]
16 owner or purchaser of the real estate shall, thirty days prior to making
17 application for title, notify any owners or lienholders of record for the vehicle by
18 certified mail that the owner intends to apply for a certificate of title from the
19 director for the abandoned vehicle. The application for title shall be accompanied
20 by:

21 (1) A statement explaining the circumstances by which the property came
22 into the [insurer,] owner or purchaser's possession; a description of the property
23 including the year, make, model, vehicle identification number and any decal or
24 license plate that may be affixed to the vehicle; the current location of the
25 property; and the retail value of the property;

26 (2) An inspection report of the property, if it is a vehicle, by a law
27 enforcement agency pursuant to subsection 9 of section 301.190; and

28 (3) A copy of the thirty-day notice and certified mail receipt mailed to any
29 owner and any person holding a valid security interest of record.

30 2. Upon receipt of the application and supporting documents, the director
31 shall search the records of the department of revenue, or initiate an inquiry with
32 another state, if the evidence presented indicated the property described in the
33 application was registered or titled in another state, to verify the name and
34 address of any owners and any lienholders. If the latest owner or lienholder was
35 not notified the director shall inform the [insurer,] owner[,], or purchaser of the

36 real estate of the latest owner and lienholder information so that notice may be
37 given as required by subsection 1 of this section. Any owner or lienholder
38 receiving notification may protest the issuance of title by, within the thirty-day
39 notice period and may file a petition to recover the vehicle, naming the [insurer
40 or] owner of the real estate and serving a copy of the petition on the director of
41 revenue. The director shall not be a party to such petition but shall, upon receipt
42 of the petition, suspend the processing of any further certificate of title until the
43 rights of all parties to the vehicle are determined by the court. Once all
44 requirements are satisfied the director shall issue one of the following:

45 (1) An original certificate of title if the vehicle examination certificate, as
46 provided in section 301.190, indicates that the vehicle was not previously in a
47 salvaged condition or rebuilt;

48 (2) An original certificate of title designated as prior salvage if the vehicle
49 examination certificate as provided in section 301.190 indicates the vehicle was
50 previously in a salvaged condition or rebuilt;

51 (3) A salvage certificate of title designated with the words
52 "salvage/abandoned property" or junking certificate based on the condition of the
53 property as stated in the inspection report. [An insurer purchasing a vehicle
54 through the claims adjustment process under this section shall only be eligible
55 to obtain a salvage certificate of title or junking certificate.]

56 **3. Any insurer which purchases a vehicle, other than a vehicle**
57 **described in subsection 1 of this section, through the claims adjustment**
58 **process for which the insurer is unable to obtain a negotiable title may**
59 **make application to the department of revenue for a salvage certificate**
60 **of title or junking certificate. Such application may be made by the**
61 **insurer or its designated salvage pool on a form provided by the**
62 **department and signed under penalty of perjury. The application shall**
63 **include a declaration that the insurer has made at least two written**
64 **attempts to obtain the certificate of ownership, transfer documents, or**
65 **other acceptable evidence of title, and be accompanied by proof of**
66 **claims payment from the insurer, evidence that letters were delivered**
67 **to the vehicle owner, a statement explaining the circumstances by**
68 **which the property came into the insurer's possession, a description of**
69 **the property including the year, make, model, vehicle identification**
70 **number, and current location of the property, and the fee prescribed**
71 **in subsection 5 of section 301.190. The insurer shall, thirty days prior**

72 to making application for title, notify any owners or lienholders of
73 record for the vehicle that the insurer intends to apply for a certificate
74 of title from the director for the vehicle. Upon receipt of the
75 application and supporting documents, the director shall search the
76 records of the department of revenue, or initiate an inquiry with
77 another state, if the evidence presented indicated the vehicle described
78 in the application was registered or titled in another state, to verify the
79 name and address of any owners and any lienholders. After thirty days
80 from receipt of the application, if no valid lienholders have notified the
81 department of the existence of a lien, the department shall issue a
82 salvage certificate of title or junking certificate for the vehicle in the
83 name of the insurer.

301.227. 1. Whenever a vehicle is sold for salvage, dismantling or
2 rebuilding, the purchaser shall forward to the director of revenue within ten days
3 the certificate of ownership or salvage certificate of title and the proper
4 application and fee of eight dollars and fifty cents, and the director shall issue a
5 negotiable salvage certificate of title to the purchaser of the salvaged vehicle. On
6 vehicles purchased during a year that is no more than six years after the
7 manufacturer's model year designation for such vehicle, it shall be mandatory
8 that the purchaser apply for a salvage title. On vehicles purchased during a year
9 that is more than six years after the manufacturer's model year designation for
10 such vehicle, then application for a salvage title shall be optional on the part of
11 the purchaser. Whenever a vehicle is sold for destruction and a salvage
12 certificate of title, junking certificate, or certificate of ownership exists, the seller,
13 if licensed under sections 301.217 to 301.221, shall forward the certificate to the
14 director of revenue within ten days, with the notation of the date sold for
15 destruction and the name of the purchaser clearly shown on the face of the
16 certificate.

17 2. Whenever a vehicle is classified as "junk", as defined in section 301.010,
18 the purchaser may forward to the director of revenue the salvage certificate of
19 title or certificate of ownership and the director shall issue a negotiable junking
20 certificate to the purchaser of the vehicle. The director may also issue a junking
21 certificate to a possessor of a vehicle manufactured twenty-six years or more prior
22 to the current model year who has a bill of sale for said vehicle but does not
23 possess a certificate of ownership, provided no claim of theft has been made on
24 the vehicle and the highway patrol has by letter stated the vehicle is not listed

25 as stolen after checking the registration number through its nationwide computer
26 system. Such certificate may be granted within thirty days of the submission of
27 a request.

28 3. Upon receipt of a properly completed application for a junking
29 certificate, the director of revenue shall issue to the applicant a junking
30 certificate which shall authorize the holder to possess, transport, or, by
31 assignment, transfer ownership in such parts, scrap or junk, and a certificate of
32 title shall not again be issued for such vehicle; except that, the initial purchaser
33 shall, within ninety days, be allowed to rescind his application for a junking
34 certificate by surrendering the junking certificate and apply for a salvage
35 certificate of title in his name. The seller of a vehicle for which a junking
36 certificate has been applied for or issued shall disclose such fact in writing to any
37 prospective buyers before sale of such vehicle; otherwise the sale shall be voidable
38 at the option of the buyer.

39 4. No scrap metal operator shall acquire or purchase a motor vehicle or
40 parts thereof without, at the time of such acquisition, receiving the original
41 certificate of title or salvage certificate of title or junking certificate from the
42 seller of the vehicle or parts, unless the seller is a licensee under sections 301.219
43 to 301.221.

44 5. All titles and certificates required to be received by scrap metal
45 operators from nonlicensees shall be forwarded by the operator to the director of
46 revenue within ten days of the receipt of the vehicle or parts.

47 6. The scrap metal operator shall keep a record, for three years, of the
48 seller's name and address, the salvage business license number of the licensee,
49 date of purchase, and any vehicle or parts identification numbers open for
50 inspection as provided in section 301.225.

51 7. Notwithstanding any other provision of this section, a motor vehicle
52 dealer as defined in section 301.550 and licensed under the provisions of sections
53 301.550 to 301.572 may negotiate one reassignment of a salvage certificate of title
54 on the back thereof.

55 8. Notwithstanding the provisions of subsection 1 of this section, an
56 insurance company which settles a claim for a stolen vehicle may apply for and
57 shall be issued a negotiable salvage certificate of title without the payment of any
58 fee upon proper application within thirty days after settlement of the claim for
59 such stolen vehicle. However, if the insurance company upon recovery of a stolen
60 vehicle determines that the stolen vehicle has not sustained damage to the extent

61 that the vehicle would have otherwise been declared a salvage vehicle pursuant
62 to subdivision (51) of section 301.010, then the insurance company may have the
63 vehicle inspected by the Missouri state highway patrol, or other law enforcement
64 agency authorized by the director of revenue, in accordance with the inspection
65 provisions of subsection 9 of section 301.190. Upon receipt of title application,
66 applicable fee, the completed inspection, and the return of any previously issued
67 negotiable salvage certificate, the director shall issue an original title with no
68 salvage or prior salvage designation. Upon the issuance of an original title the
69 director shall remove any indication of the negotiable salvage title previously
70 issued to the insurance company from the department's electronic records.

71 **9. Notwithstanding subsection 4 of this section or any other**
72 **provision of the law to the contrary, if a motor vehicle is inoperable**
73 **and is at least ten model years old, or the parts are from a motor**
74 **vehicle that is inoperable and is at least ten model years old, a scrap**
75 **metal operator may purchase or acquire such motor vehicle or parts**
76 **without receiving the original certificate of title, salvage certificate of**
77 **title, or junking certificate from the seller of the vehicle or parts,**
78 **provided the scrap metal operator verifies with the department of**
79 **revenue, via the department's online record access, that the motor**
80 **vehicle is not subject to any recorded security interest or lien and the**
81 **scrap metal operator complies with the requirements of this subsection.**
82 **In lieu of forwarding certificates of titles for such motor vehicles as**
83 **required by subsection 5 of this section, the scrap metal operator shall**
84 **forward a copy of the seller's state identification along with a bill of**
85 **sale to the department of revenue. The bill of sale form shall be**
86 **designed by the director and such form shall include, but not be limited**
87 **to, a certification that the motor vehicle is at least ten model years old,**
88 **is inoperable, is not subject to any recorded security interest or lien,**
89 **and a certification by the seller that the seller has the legal authority**
90 **to sell or otherwise transfer the seller's interest in the motor vehicle or**
91 **parts. Upon receipt of the information required by this subsection, the**
92 **department of revenue shall cancel any certificate of title and**
93 **registration for the motor vehicle. If the motor vehicle is inoperable**
94 **and at least twenty model years old, then the scrap metal operator shall**
95 **not be required to verify with the department of revenue whether the**
96 **motor vehicle is subject to any recorded security interests or liens. As**
97 **used in this subsection, the term "inoperable" means a motor vehicle**

98 that is in a rusted, wrecked, discarded, worn out, extensively damaged,
99 dismantled, and mechanically inoperative condition and the vehicle's
100 highest and best use is for scrap purposes. The director of the
101 department of revenue is directed to promulgate rules and regulations
102 to implement and administer the provisions of this section, including
103 but not limited to, the development of a uniform bill of sale. Any rule
104 or portion of a rule, as that term is defined in section 536.010 that is
105 created under the authority delegated in this section shall become
106 effective only if it complies with and is subject to all of the provisions
107 of chapter 536, and, if applicable, section 536.028. This section and
108 chapter 536 are nonseverable and if any of the powers vested with the
109 general assembly pursuant to chapter 536, to review, to delay the
110 effective date, or to disapprove and annul a rule are subsequently held
111 unconstitutional, then the grant of rulemaking authority and any rule
112 proposed or adopted after August 28, 2012, shall be invalid and void.

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