

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 428

97TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE SCHATZ.

1351H.01P

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To amend chapter 301, RSMo, by adding thereto one new section relating to the issuance of salvage motor vehicle titles.

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

Section A. Chapter 301, RSMo, is amended by adding thereto one new section, to be  
2 known as section 301.642, to read as follows:

3 **301.642. Any insurer which purchases a motor vehicle or trailer through the claims**  
4 **adjustment process for which there is a valid lien or encumbrance perfected under sections**  
5 **301.600 to 301.640 may, as an alternative to obtaining a lien release under section 301.640,**  
6 **apply for a salvage certificate of title or junking certificate on such motor vehicle or trailer**  
7 **by following the procedures in this section. The insurer may request a letter of guarantee**  
8 **from the lienholder indicating the amount payable by the insurer to the lienholder in order**  
9 **to release the lien. Upon receipt from the lienholder of such letter of guarantee, the insurer**  
10 **may, within ten days of such receipt, remit payment to the lienholder in accordance with**  
11 **the letter of guarantee. This procedure may be followed for each lienholder indicated on**  
12 **the certificate of ownership for the motor vehicle or trailer. Prior to applying for a salvage**  
13 **certificate of title or junking certificate under this section, the insurer shall deliver a copy**  
14 **of the letter of guarantee and corresponding proof of payment from the claim file to each**  
15 **lienholder as proof of satisfaction for the underlying lien or encumbrance. Such letter of**  
**guarantee and corresponding proof of payment need not be notarized and may be**  
**transmitted electronically. The insurer may then submit proof of such payments, a copy**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 of each letter of guarantee, and the title for such motor vehicle or trailer to the department  
17 of revenue. The department shall accept such documents in lieu of a lien release and  
18 process the insurer's application.

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