

SS SCS HB 428 -- REGISTRATION AND LICENSING OF MOTOR VEHICLES

Currently, when an insurer purchases a vehicle that is currently titled in Missouri through the claims adjustment process for which he or she is unable to obtain a negotiable title, the insurer must make two written attempts to obtain the certificate of title and provide the Department of Revenue with evidence that the letters were delivered when applying for a salvage certificate of title or junking certificate. This bill requires the insurer to provide the department with evidence that the letters were sent. The department director must notify the insurer of any additional owner or lienholder he or she identifies, and the insurer must notify the additional owner or lienholder of its intent to obtain title.

Currently, a public school or college is considered the temporary owner of a vehicle acquired from a new motor vehicle franchised dealer that is to be used as a courtesy or driver training vehicle. The bill allows any motor vehicle dealer to give a college or school district any motor vehicle for these purposes and allows a copy of the front and back of the dealer's vehicle manufacturer's statement of origin or certificate of title to be used for proof of ownership in order to apply for and be granted a nonnegotiable certificate of ownership and the issuance of the appropriate license plates.

The bill allows an insurer that purchases a vehicle or trailer, subject to a lien, through the claims adjustment process to apply for a salvage title or junking certificate without obtaining a lien release. The insurer may request a letter of guarantee from the lienholder containing a description of the vehicle and indicating the amount of the lien from each lienholder and pay the amount indicated within 10 days of receipt of the letter. Each lienholder must provide proof of satisfaction of the lien amount to the insurer. The insurer may then submit proof of the payments, a copy of each letter of guarantee, and the title for the vehicle or trailer to the department which must accept the documents in lieu of a lien release and process the insurer's application.