



Mr. Speaker: I am instructed by the Senate to inform the House of

Representatives that the Senate has taken up and passed

SS SCS HCS HB 1150

entitled:

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.

WITH SA1, SA2.

In which the concurrence of the House is respectfully requested.

Respectfully,

Terry L. Spieler
Secretary of the Senate

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CHIEF CLERK

SENATE AMENDMENT NO. 2Offered by Cunningham of 274Amend SS/SCS/HCS/House Bill No. 1150, Page 18, Section 301.227, Line 23

2 by inserting immediately after said line the following:

3 "430.020. Every person who shall keep or store any
4 vehicle[,] or part or equipment thereof, shall, for the amount
5 due therefor, have a lien; and every person who furnishes labor
6 or material on any vehicle [or aircraft,] or part or equipment
7 thereof, who shall obtain a written memorandum of the work or
8 material furnished, or to be furnished, signed by the owner of
9 the vehicle [or aircraft], or part or equipment thereof, and
10 every person who furnishes labor or material on any aircraft or
11 part or equipment thereof, who shall obtain a written memorandum
12 of the work or material furnished, or to be furnished, signed by
13 the owner, authorized agent of the owner, or person in lawful
14 possession of the aircraft or part or equipment thereof, shall
15 have a lien for the amount of such work or material as is ordered
16 or stated in such written memorandum. Such liens shall be on the
17 vehicle or aircraft, or part or equipment thereof, as shall be
18 kept or stored, or be placed in the possession of the person
19 furnishing the labor or material; provided, however, the person
20 furnishing the labor or material on the aircraft or part or
21 equipment thereof, may retain the lien after surrendering

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adapted 5-15-12

possession of the aircraft or part or equipment thereof by filing a statement in the office of the county recorder of the county where the owner of the aircraft or part or equipment thereof resides, if known to the claimant, and in the office of the county recorder of the county where the labor or material was furnished. Such statement shall be filed within [thirty] one hundred eighty days after surrendering possession of the aircraft or part or equipment thereof and shall state the claimant's name and address, the items on account, the name of the owner and a description of the property, and shall not bind a bona fide purchaser unless said lien has also been filed with the Federal Aviation Administration Aircraft Registry.

430.082. 1. Every person expending labor, services, skill or material upon any motor vehicle or trailer, as defined in chapter 301, vessel, as defined in chapter 306, outboard motor [or], or aircraft, or part or equipment of an aircraft, at a written request of its owner, authorized agent of the owner, or person in lawful possession thereof, or who provides storage for a motor vehicle, trailer, outboard motor or vessel, at the written request of its owner, authorized agent of the owner, or person in lawful possession thereof, or at the written request of a peace officer in lieu of the owner or owner's agent, where such owner or agent is not available to request storage thereof, shall, where the maximum amount to be charged for labor, services, skill or material has been stated as part of the written request or the daily charge for storage has been stated as part of the written request, have a lien upon the chattel beginning upon the date of commencement of the expenditure of labor, services, skill, materials or storage for the actual value

1 of all the expenditure of labor, services, skill, materials or
2 storage until the possession of that chattel is voluntarily
3 relinquished to the owner, authorized agent, or one entitled to
4 possession thereof. The person furnishing labor, services, skill
5 or material upon an aircraft or part or equipment thereof, may
6 retain the lien after surrendering possession of the aircraft or
7 part or equipment thereof, by filing a statement in the office of
8 the county recorder of the county where the owner of the aircraft
9 or part or equipment thereof, resides, if known to the claimant,
10 and in the office of the county recorder of the county where the
11 claimant performed the services. Such statement shall be filed
12 within [thirty] one hundred eighty days after surrendering
13 possession of the aircraft or part or equipment thereof and shall
14 state the claimant's name and address, the items on account, the
15 name of the owner and a description of the property, and shall
16 not bind a bona fide purchaser unless the lien has also been
17 filed with the Federal Aviation Administration Aircraft Registry.

18 2. If the chattel is not redeemed within forty-five days of
19 the completion of the requested labor, services, skill or
20 material, the lienholder may apply to the director of revenue for
21 a certificate of ownership or certificate of title.

22 3. If the charges are for storage or the service of towing
23 the motor vehicle, trailer, outboard motor or vessel, and the
24 chattel has not been redeemed within forty-five days after the
25 charges for storage commenced, the lienholder shall notify by
26 certified mail, postage prepaid, the owner and any lienholders of
27 record other than the person making the notification, at the
28 person's last known address that application for a lien title
29 will be made unless the owner or lienholder within thirty days

1 makes satisfactory arrangements with the person holding the
2 chattel for payment of storage or service towing charges, if any,
3 or makes satisfactory arrangements with the lienholder for paying
4 such charges or for continued storage of the chattel if desired.
5 Thirty days after the notification has been mailed and the
6 chattel is unredeemed, or the notice has been returned marked
7 "not forwardable" or "addressee unknown", and no satisfactory
8 arrangement has been made with the lienholder for payment or
9 continued storage, the lienholder may apply to the director of
10 revenue for a certificate of ownership or certificate of title as
11 provided in this section.

12 4. The application shall be accompanied by:

13 (1) The original or a conformed or photostatic copy of the
14 written request of the owner or the owner's agent or of a peace
15 officer with the maximum amount to be charged stated therein;

16 (2) An affidavit from the lienholder that written notice
17 was provided to all owners and lienholders of the applicants'
18 intent to apply for a certificate of ownership and the owner has
19 defaulted on payment of labor, services, skill or material and
20 that payment is forty-five days past due, or that owner has
21 defaulted on payment or has failed to make satisfactory
22 arrangements for continued storage of the chattel for thirty days
23 since notification of intent to make application for a
24 certificate of ownership or certificate of title. The affidavit
25 shall be accompanied by a copy of the thirty-day notice given by
26 certified mail to any owner and person holding a valid security
27 interest and a copy of the certified mail receipt indicating that
28 the owner and lienholder of record was sent a notice as required
29 in this section;

1 (3) A statement of the actual value of the expenditure of
2 labor, services, skill or material, or the amount of storage due
3 on the date of application for a certificate of ownership or
4 certificate of title, and the amount which is unpaid; and

5 (4) A fee of ten dollars.

6 5. If the director is satisfied with the genuineness of the
7 application, proof of lienholder notification in the form of a
8 certified mail receipt, and supporting documents, and if no
9 lienholder or the owner has redeemed the chattel or no
10 satisfactory arrangement has been made concerning payment or
11 continuation of storage, and if no owner or lienholder has
12 informed the director that the owner or lienholder demands a
13 hearing as provided in this section, the director shall issue, in
14 the same manner as a repossessed title is issued, a certificate
15 of ownership or certificate of title to the applicant which shall
16 clearly be captioned "Lien Title".

17 6. Upon receipt of a lien title, the holder shall within
18 ten days begin proceedings to sell the chattel as prescribed in
19 section 430.100.

20 7. The provisions of section 430.110 shall apply to the
21 disposition of proceeds, and the lienholder shall also be
22 entitled to any actual and necessary expenses incurred in
23 obtaining the lien title, including, but not limited to, court
24 costs and reasonable attorney's fees."; and

25 Further amend the title and enacting clause accordingly.

SENATE AMENDMENT NO. 1offered by Stouffer of SalineAmend SS/SCS/HCS/House Bill No. 1150, Page 18, Section 301.227, Line 23,

2 by inserting after all of said line the following:

3 "301.600. 1. Unless excepted by section 301.650, a lien or
4 encumbrance on a motor vehicle or trailer, as defined by section
5 301.010, is not valid against subsequent transferees or
6 lienholders of the motor vehicle or trailer who took without
7 knowledge of the lien or encumbrance unless the lien or
8 encumbrance is perfected as provided in sections 301.600 to
9 301.660.

10 2. Subject to the provisions of section 301.620, a lien or
11 encumbrance on a motor vehicle or trailer is perfected by the
12 delivery to the director of revenue of a notice of a lien in a
13 format as prescribed by the director of revenue. The notice of
14 lien is perfected as of the time of its creation if the delivery
15 of such notice to the director of revenue is completed within
16 thirty days thereafter, otherwise as of the time of the delivery.
17 A notice of lien shall contain the name and address of the owner
18 of the motor vehicle or trailer and the secured party, a
19 description of the motor vehicle or trailer, including the
20 vehicle identification number, and such other information as the
21 department of revenue may prescribe. A notice of lien

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1 substantially complying with the requirements of this section is
2 effective even though it contains minor errors which are not
3 seriously misleading. Provided the lienholder submits complete
4 and legible documents, the director of revenue shall mail
5 confirmation or electronically confirm receipt of such notice of
6 lien to the lienholder as soon as possible, but no later than
7 fifteen business days after the filing of the notice of lien.

8 3. Notwithstanding the provisions of section 301.620, on a
9 refinance by a different lender of a prior loan secured by a
10 motor vehicle or trailer a lien is perfected by the delivery to
11 the director of revenue of a notice of lien completed by the
12 refinancing lender in a format prescribed by the director of
13 revenue.

14 4. To perfect a subordinate lien, the notice of lien must
15 be accompanied by the documents required to be delivered to the
16 director pursuant to subdivision (3) of section 301.620.

17 5. Liens may secure future advances. The future advances
18 may be evidenced by one or more notes or other documents
19 evidencing indebtedness and shall not be required to be executed
20 or delivered prior to the date of the future advance lien
21 securing them. The fact that a lien may secure future advances
22 shall be clearly stated on the security agreement and noted as
23 "subject to future advances" on the notice of lien and noted on
24 the certificate of ownership if the motor vehicle or trailer is
25 subject to only one notice of lien. To secure future advances
26 when an existing lien on a motor vehicle or trailer does not
27 secure future advances, the lienholder shall file a notice of
28 lien reflecting the lien to secure future advances. A lien to
29 secure future advances is perfected in the same time and manner

1 as any other lien, except as follows: proof of the lien for
2 future advances is maintained by the department of revenue;
3 however, there shall be additional proof of such lien when the
4 notice of lien reflects such lien for future advances, is
5 receipted for by the department of revenue, and returned to the
6 lienholder.

7 6. If a motor vehicle or trailer is subject to a lien or
8 encumbrance when brought into this state, the validity and effect
9 of the lien or encumbrance is determined by the law of the
10 jurisdiction where the motor vehicle or trailer was when the lien
11 or encumbrance attached, subject to the following:

12 (1) If the parties understood at the time the lien or
13 encumbrance attached that the motor vehicle or trailer would be
14 kept in this state and it was brought into this state within
15 thirty days thereafter for purposes other than transportation
16 through this state, the validity and effect of the lien or
17 encumbrance in this state is determined by the law of this state;

18 (2) If the lien or encumbrance was perfected pursuant to
19 the law of the jurisdiction where the motor vehicle or trailer
20 was when the lien or encumbrance attached, the following rules
21 apply:

22 (a) If the name of the lienholder is shown on an existing
23 certificate of title or ownership issued by that jurisdiction,
24 the lien or encumbrance continues perfected in this state;

25 (b) If the name of the lienholder is not shown on an
26 existing certificate of title or ownership issued by that
27 jurisdiction, the lien or encumbrance continues perfected in this
28 state three months after a first certificate of ownership of the
29 motor vehicle or trailer is issued in this state, and also

thereafter if, within the three-month period, it is perfected in this state. The lien or encumbrance may also be perfected in this state after the expiration of the three-month period; in that case perfection dates from the time of perfection in this state;

(3) If the lien or encumbrance was not perfected pursuant to the law of the jurisdiction where the motor vehicle or trailer was when the lien or encumbrance attached, it may be perfected in this state; in that case perfection dates from the time of perfection in this state;

(4) A lien or encumbrance may be perfected pursuant to paragraph (b) of subdivision (2) or subdivision (3) of this subsection either as provided in subsection 2 or 4 of this section or by the lienholder delivering to the director of revenue a notice of lien or encumbrance in the form the director of revenue prescribes and the required fee.

7. By rules and regulations, the director of revenue shall establish a security procedure for the purpose of verifying that an electronic notice of lien or notice of satisfaction of a lien on a motor vehicle or trailer given as permitted in sections 301.600 to 301.640 is that of the lienholder, verifying that an electronic notice of confirmation of ownership and perfection of a lien given as required in section 301.610 is that of the director of revenue, and detecting error in the transmission or the content of any such notice. A security procedure may require the use of algorithms or other codes, identifying words or numbers, encryption, callback procedures or similar security devices. Comparison of a signature on a communication with an authorized specimen signature shall not by itself be a security

1 procedure.

2 306.400. 1. As used in sections 306.400 to 306.440, the
3 terms motorboat, vessel, and watercraft shall have the same
4 meanings given them in section 306.010, and the term outboard
5 motor shall include outboard motors governed by section 306.530.

6 2. Unless excepted by section 306.425, a lien or
7 encumbrance on an outboard motor, motorboat, vessel, or
8 watercraft shall not be valid against subsequent transferees or
9 lienholders of the outboard motor, motorboat, vessel or
10 watercraft, who took without knowledge of the lien or encumbrance
11 unless the lien or encumbrance is perfected as provided in
12 sections 306.400 to 306.430.

13 3. A lien or encumbrance on an outboard motor, motorboat,
14 vessel or watercraft is perfected by the delivery to the director
15 of revenue of a notice of lien in a format as prescribed by the
16 director. Such lien or encumbrance shall be perfected as of the
17 time of its creation if the delivery of the items required in
18 this subsection to the director of revenue is completed within
19 thirty days thereafter, otherwise such lien or encumbrance shall
20 be perfected as of the time of the delivery. A notice of lien
21 shall contain the name and address of the owner of the outboard
22 motor, motorboat, vessel or watercraft and the secured party, a
23 description of the outboard motor, motorboat, vessel or
24 watercraft motor, including any identification number, and such
25 other information as the department of revenue may prescribe. A
26 notice of lien substantially complying with the requirements of
27 this section is effective even though it contains minor errors
28 which are not seriously misleading. Provided the lienholder
29 submits complete and legible documents, the director of revenue

shall mail confirmation or electronically confirm receipt of each notice of lien to the lienholder as soon as possible, but no later than fifteen business days after the filing of the notice of lien.

4. Notwithstanding the provisions of section 306.410, on a refinance by a different lender of a prior loan secured by an outboard motor, motorboat, vessel or watercraft, a lien is perfected by the delivery to the director of revenue of a notice of lien completed by the refinancing lender in a format prescribed by the director of revenue.

5. Liens may secure future advances. The future advances may be evidenced by one or more notes or other documents evidencing indebtedness and shall not be required to be executed or delivered prior to the date of the future advance lien securing them. The fact that a lien may secure future advances shall be clearly stated on the security agreement and noted as "subject to future advances" in the second lienholder's portion of the notice of lien. To secure future advances when an existing lien on an outboard motor, motorboat, vessel or watercraft does not secure future advances, the lienholder shall file a notice of lien reflecting the lien to secure future advances. A lien to secure future advances is perfected in the same time and manner as any other lien, except as follows. Proof of the lien for future advances is maintained by the department of revenue; however, there shall be additional proof of such lien when the notice of lien reflects such lien for future advances, is receipted for by the department of revenue, and returned to the lienholder.

6. Whether an outboard motor, motorboat, vessel, or

watercraft is subject to a lien or encumbrance shall be determined by the laws of the jurisdiction where the outboard motor, motorboat, vessel, or watercraft was when the lien or encumbrance attached, subject to the following:

(1) If the parties understood at the time the lien or encumbrances attached that the outboard motor, motorboat, vessel, or watercraft would be kept in this state and it is brought into this state within thirty days thereafter for purposes other than transportation through this state, the validity and effect of the lien or encumbrance in this state shall be determined by the laws of this state;

(2) If the lien or encumbrance was perfected pursuant to the laws of the jurisdiction where the outboard motor, motorboat, vessel, or watercraft was when the lien or encumbrance attached, the following rules apply:

(a) If the name of the lienholder is shown on an existing certificate of title or ownership issued by that jurisdiction, his or her lien or encumbrance continues perfected in this state;

(b) If the name of the lienholder is not shown on an existing certificate of title or ownership issued by the jurisdiction, the lien or encumbrance continues perfected in this state for three months after the first certificate of title of the outboard motor, motorboat, vessel, or watercraft is issued in this state, and also thereafter if, within the three-month period, it is perfected in this state. The lien or encumbrance may also be perfected in this state after the expiration of the three-month period, in which case perfection dates from the time of perfection in this state;

(3) If the lien or encumbrance was not perfected pursuant

to the laws of the jurisdiction where the outboard motor, motorboat, vessel, or watercraft was when the lien or encumbrance attached, it may be perfected in this state, in which case perfection dates from the time of perfection in this state;

(4) A lien or encumbrance may be perfected pursuant to paragraph (b) of subdivision (2) or subdivision (3) of this subsection in the same manner as provided in subsection 3 of this section.

7. The director of revenue shall by rules and regulations establish a security procedure to verify that an electronic notice or lien or notice of satisfaction of a lien on an outboard motor, motorboat, vessel or watercraft given pursuant to sections 306.400 to 306.440 is that of the lienholder, to verify that an electronic notice of confirmation of ownership and perfection of a lien given pursuant to section 306.410 is that of the director of revenue and to detect error in the transmission or the content of any such notice. Such a security procedure may require the use of algorithms or other codes, identifying words or numbers, encryption, callback procedures or similar security devices. Comparison of a signature on a communication with an authorized specimen signature shall not by itself constitute a security procedure."; and

Further amend the title and enacting clause accordingly.

