

SECOND REGULAR SESSION

HOUSE BILL NO. 1064

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCGHEE.

4462L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 301.227, RSMo, and to enact in lieu thereof one new section relating to scrap metal operators.

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

Section A. Section 301.227, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 301.227, to read as follows:

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

2. Whenever a vehicle is classified as "junk", as defined in section 301.010, the purchaser may forward to the director of revenue the salvage certificate of title or certificate of ownership and the director shall issue a negotiable junking certificate to the purchaser of the vehicle. The director may also issue a junking certificate to a possessor of a vehicle

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.

18 manufactured twenty-six years or more prior to the current model year who has a bill of sale for
19 said vehicle but does not possess a certificate of ownership, provided no claim of theft has been
20 made on the vehicle and the highway patrol has by letter stated the vehicle is not listed as stolen
21 after checking the registration number through its nationwide computer system. Such certificate
22 may be granted within thirty days of the submission of a request.

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

32 4. No scrap metal operator shall acquire or purchase a motor vehicle or parts thereof
33 without, at the time of such acquisition, receiving the original certificate of title or salvage
34 certificate of title or junking certificate from the seller of the vehicle or parts, unless the seller
35 is a licensee under sections 301.219 to 301.221 **or the vehicle is ten years old or older.**
36 **Notwithstanding any other law, if the motor vehicle or parts thereof are ten years old or**
37 **older, the scrap metal operator may submit a copy of the seller's state identification along**
38 **with the bill of sale to the department of revenue in lieu of the original certificate of title,**
39 **salvage certificate, or junking certificate.**

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

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

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

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

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

✓