

SECOND REGULAR SESSION

**HOUSE BILL NO. 966**

**92ND GENERAL ASSEMBLY**

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INTRODUCED BY REPRESENTATIVES BURNETT (Sponsor), LeVOTA, VOGT, DOUGHERTY,  
MEINERS, BISHOP, HARRIS (23), YOUNG AND SKAGGS (Co-sponsors).

Read 1<sup>st</sup> time January 7, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

2872L.011

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**AN ACT**

To repeal section 365.020, RSMo, and to enact in lieu thereof one new section relating to motor vehicle time sales.

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

Section A. Section 365.020, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 365.020, to read as follows:

365.020. Unless otherwise clearly indicated by the context, the following words and phrases have the meanings indicated:

(1) "Cash sale price", the price stated in a retail installment contract for which the seller would have sold to the buyer, and the buyer would have bought from the seller, the motor vehicle which is the subject matter of the retail installment contract, if the sale had been a sale for cash or at a cash price instead of a retail installment transaction at a time sale price. The cash sale price may include any taxes, registration, certificate of title, license and other fees and charges for accessories and their installment and for delivery, servicing, repairing or improving the motor vehicle;

(2) "Director", the office of the director of the division of finance;

(3) "Holder" of a retail installment contract, the retail seller of the motor vehicle under the contract or, if the contract is purchased by a sales finance company or other assignee, the sales finance company or other assignee;

(4) "Insurance company", any form of lawfully authorized insurer in this state;

(5) "Motor vehicle", any new or used automobile, mobile home, motorcycle, all-terrain vehicle, motorized bicycle, moped, motortricycle, truck, trailer, semitrailer, truck tractor, or bus

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

17 [having a cash sale price of seven thousand five hundred dollars or less] primarily designed or  
18 used to transport persons or property on a public highway, road or street;

19 (6) "Official fees", the fees prescribed by law for filing, recording or otherwise perfecting  
20 and releasing or satisfying any title or lien retained or taken by a seller in connection with a retail  
21 installment transaction;

22 (7) "Person", an individual, partnership, corporation, association, and any other group  
23 however organized;

24 (8) "Principal balance", the cash sale price of the motor vehicle which is the subject  
25 matter of the retail installment transaction plus the amounts, if any, included in the sale, if a  
26 separate identified charge is made therefor and stated in the contract, for insurance and other  
27 benefits, including any amounts paid or to be paid by the seller pursuant to an agreement with  
28 the buyer to discharge a security interest, lien, or lease interest on property traded in and official  
29 fees, minus the amount of the buyer's down payment in money or goods. Notwithstanding any  
30 law to the contrary, any amount actually paid by the seller pursuant to an agreement with the  
31 buyer to discharge a security interest, lien or lease on property traded in which was included in  
32 a contract prior to August 28, 1999, is valid and legal;

33 (9) "Retail buyer" or "buyer", a person who buys a motor vehicle from a retail seller in  
34 a retail installment transaction under a retail installment contract;

35 (10) "Retail installment contract" or "contract", an agreement evidencing a retail  
36 installment transaction entered into in this state pursuant to which the title to or a lien upon the  
37 motor vehicle, which is the subject matter of the retail installment transaction is retained or taken  
38 by the seller from the buyer as security for the buyer's obligation. The term includes a chattel  
39 mortgage or a conditional sales contract;

40 (11) "Retail installment transaction", a sale of a motor vehicle by a retail seller to a retail  
41 buyer on time under a retail installment contract for a time sale price payable in one or more  
42 deferred installments;

43 (12) "Retail seller" or "seller", a person who sells a motor vehicle, not principally for  
44 resale, to a retail buyer under a retail installment contract;

45 (13) "Sales finance company", a person engaged, in whole or in part, in the business of  
46 purchasing retail installment contracts from one or more sellers. The term includes but is not  
47 limited to a bank, trust company, loan and investment company, savings and loan association,  
48 financing institution, or registrant pursuant to sections 367.100 to 367.200, RSMo, if so engaged.  
49 The term shall not include a person who makes only isolated purchases of retail installment  
50 contracts, which purchases are not being made in the course of repeated or successive purchases  
51 of retail installment contracts from the same seller;

52 (14) "Time price differential", the amount, however denominated or expressed, as

53 limited by section 365.120, in addition to the principal balance to be paid by the buyer for the  
54 privilege of purchasing the motor vehicle on time to be paid for by the buyer in one or more  
55 deferred installments;

56 (15) "Time sale price", the total of the cash sale price of the motor vehicle and the  
57 amount, if any, included for insurance and other benefits if a separate identified charge is made  
58 therefor and the amounts of the official fees and time price differential.