

SECOND REGULAR SESSION

# HOUSE BILL NO. 2093

## 94TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES BURNETT (Sponsor), SKAGGS,  
HUGHES AND VOGT (Co-sponsors).

Read 1st time February 12, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

4722L.01I

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### AN ACT

To repeal section 301.227, RSMo, and to enact in lieu thereof one new section relating to the sale of vehicles for salvage, dismantling or rebuilding.

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Section A. Section 301.227, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 301.227, to read as follows: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

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.

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

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

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

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

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

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

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