FIRST REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 148

97TH GENERAL ASSEMBLY

0639H.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 301.140, as enacted by conference committee substitute for senate substitute for senate committee substitute for house committee substitute for house bill no. 1402, merged with conference committee substitute for senate bill no. 470, merged with conference committee substitute for senate bill no. 470, merged with conference committee substitute for house committee substitute for senate bill no. 568, merged with conference committee substitute for senate bill no. 611, ninety-sixth general assembly, second regular session, 301.140, as enacted by conference committee substitute for house bill no. 1402, ninety-sixth general assembly, second regular session, and 301.193, RSMo, and to enact in lieu thereof three new sections relating to salvage motor vehicles.

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

Section A. Sections 301.140, as enacted by conference committee substitute for senate substitute for senate committee substitute for house committee substitute for house bill no. 1402, merged with conference committee substitute for house committee substitute for senate 3 substitute for senate committee substitute for senate bill no. 470, merged with conference committee substitute for house committee substitute for senate bill no. 568, merged with 5 conference committee substitute for senate bill no. 611, ninety-sixth general assembly, second regular session, 301.140, as enacted by conference committee substitute for senate substitute for 8 senate committee substitute for house committee substitute for house bill no. 1402, ninety-sixth general assembly, second regular session, and 301.193, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 301.140, 301.193, and 301.642, to read 10 11 as follows:

301.140. 1. Upon the transfer of ownership of any motor vehicle or trailer, the certificate of registration and the right to use the number plates shall expire and the number plates shall be removed by the owner at the time of the transfer of possession, and it shall be unlawful for any person other than the person to whom such number plates were originally issued to have the same in his or her possession whether in use or not, unless such possession is solely for charitable purposes; except that the buyer of a motor vehicle or trailer who trades in a motor vehicle or trailer may attach the license plates from the traded-in motor vehicle or trailer to the newly purchased motor vehicle or trailer. The operation of a motor vehicle with such transferred plates shall be lawful for no more than thirty days. As used in this subsection, the term "trade-in motor vehicle or trailer" shall include any single motor vehicle or trailer sold by the buyer of the newly purchased vehicle or trailer, as long as the license plates for the trade-in motor vehicle or trailer are still valid.

- 2. In the case of a transfer of ownership the original owner may register another motor vehicle under the same number, upon the payment of a fee of two dollars, if the motor vehicle is of horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, not in excess of that originally registered. When such motor vehicle is of greater horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, for which a greater fee is prescribed, applicant shall pay a transfer fee of two dollars and a pro rata portion for the difference in fees. When such vehicle is of less horsepower, gross weight or (in case of a passenger-carrying commercial motor vehicle) seating capacity, for which a lesser fee is prescribed, applicant shall not be entitled to a refund.
- 3. License plates may be transferred from a motor vehicle which will no longer be operated to a newly purchased motor vehicle by the owner of such vehicles. The owner shall pay a transfer fee of two dollars if the newly purchased vehicle is of horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, not in excess of that of the vehicle which will no longer be operated. When the newly purchased motor vehicle is of greater horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, for which a greater fee is prescribed, the applicant shall pay a transfer fee of two dollars and a pro rata portion of the difference in fees. When the newly purchased vehicle is of less horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, for which a lesser fee is prescribed, the applicant shall not be entitled to a refund.
- 4. The director of the department of revenue shall have authority to produce or allow others to produce a weather resistant, nontearing temporary permit authorizing the operation of a motor vehicle or trailer by a buyer for not more than thirty days from the date of purchase. The temporary permit authorized under this section may be purchased by the purchaser of a motor

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vehicle or trailer from the central office of the department of revenue or from an authorized agent 38 of the department of revenue upon proof of purchase of a motor vehicle or trailer for which the 39 buyer has no registration plate available for transfer and upon proof of financial responsibility, 40 or from a motor vehicle dealer upon purchase of a motor vehicle or trailer for which the buyer has no registration plate available for transfer, or from a motor vehicle dealer upon purchase of 41 42 a motor vehicle or trailer for which the buyer has registered and is awaiting receipt of registration 43 plates. The director of the department of revenue or a producer authorized by the director of the 44 department of revenue may make temporary permits available to registered dealers in this state, 45 authorized agents of the department of revenue or the department of revenue. The price paid by a motor vehicle dealer, an authorized agent of the department of revenue or the department of 46 47 revenue for a temporary permit shall not exceed five dollars for each permit. The director of the 48 department of revenue shall direct motor vehicle dealers and authorized agents to obtain 49 temporary permits from an authorized producer. Amounts received by the director of the 50 department of revenue for temporary permits shall constitute state revenue; however, amounts 51 received by an authorized producer other than the director of the department of revenue shall not 52 constitute state revenue and any amounts received by motor vehicle dealers or authorized agents 53 for temporary permits purchased from a producer other than the director of the department of 54 revenue shall not constitute state revenue. In no event shall revenues from the general revenue 55 fund or any other state fund be utilized to compensate motor vehicle dealers or other producers 56 for their role in producing temporary permits as authorized under this section. Amounts that do not constitute state revenue under this section shall also not constitute fees for registration or 57 58 certificates of title to be collected by the director of the department of revenue under section 59 301.190. No motor vehicle dealer, authorized agent or the department of revenue shall charge 60 more than five dollars for each permit issued. The permit shall be valid for a period of thirty 61 days from the date of purchase of a motor vehicle or trailer, or from the date of sale of the motor 62 vehicle or trailer by a motor vehicle dealer for which the purchaser obtains a permit as set out above. No permit shall be issued for a vehicle under this section unless the buyer shows proof 63 64 of financial responsibility. Each temporary permit issued shall be securely fastened to the back 65 or rear of the motor vehicle in a manner and place on the motor vehicle consistent with registration plates so that all parts and qualities of the temporary permit thereof shall be plainly 66 67 and clearly visible, reasonably clean and are not impaired in any way. 68

5. The permit shall be issued on a form prescribed by the director of the department of revenue and issued only for the applicant's temporary operation of the motor vehicle or trailer purchased to enable the applicant to temporarily operate the motor vehicle while proper title and registration plates are being obtained, or while awaiting receipt of registration plates, and shall be displayed on no other motor vehicle. Temporary permits issued pursuant to this section shall

not be transferable or renewable and shall not be valid upon issuance of proper registration plates for the motor vehicle or trailer. The director of the department of revenue shall determine the size, material, design, numbering configuration, construction, and color of the permit. The director of the department of revenue, at his or her discretion, shall have the authority to reissue, and thereby extend the use of, a temporary permit previously and legally issued for a motor vehicle or trailer while proper title and registration are being obtained.

- 6. Every motor vehicle dealer that issues temporary permits shall keep, for inspection by proper officers, an accurate record of each permit issued by recording the permit number, the motor vehicle dealer's number, buyer's name and address, the motor vehicle's year, make, and manufacturer's vehicle identification number, and the permit's date of issuance and expiration date. Upon the issuance of a temporary permit by either the central office of the department of revenue, a motor vehicle dealer or an authorized agent of the department of revenue, the director of the department of revenue shall make the information associated with the issued temporary permit immediately available to the law enforcement community of the state of Missouri.
- 7. Upon the transfer of ownership of any currently registered motor vehicle wherein the owner cannot transfer the license plates due to a change of motor vehicle category, the owner may surrender the license plates issued to the motor vehicle and receive credit for any unused portion of the original registration fee against the registration fee of another motor vehicle. Such credit shall be granted based upon the date the license plates are surrendered. No refunds shall be made on the unused portion of any license plates surrendered for such credit.
 - 8. The provisions of subsections 4, 5, and 6 of this section shall expire July 1, 2019.
- 9. An additional temporary license plate produced in a manner and of materials determined by the director to be the most cost-effective means of production with a configuration that matches an existing or newly issued plate may be purchased by a motor vehicle owner to be placed in the interior of the vehicle's rear window such that the driver's view out of the rear window is not obstructed and the plate configuration is clearly visible from the outside of the vehicle to serve as the visible plate when a bicycle rack or other item obstructs the view of the actual plate. Such temporary plate is only authorized for use when the matching actual plate is affixed to the vehicle in the manner prescribed in subsection 5 of section 301.130. The fee charged for the temporary plate shall be equal to the fee charged for a temporary permit issued under subsection 4 of this section. Replacement temporary plates authorized in this subsection may be issued as needed upon the payment of a fee equal to the fee charged for a temporary permit under subsection 4 of this section. The newly produced third plate may only be used on the vehicle with the matching plate, and the additional plate shall be clearly recognizable as a third plate and only used for the purpose specified in this subsection.

10. Notwithstanding the provisions of section 301.127, the director may issue a temporary permit to an individual who possesses a salvage motor vehicle which requires an inspection under subsection 9 of section 301.190. The operation of a salvage motor vehicle for which the permit has been issued shall be limited to the most direct route from the residence, maintenance, or storage facility of the individual in possession of such motor vehicle to the nearest authorized inspection facility and return to the originating location. Notwithstanding any other requirements for the issuance of a temporary permit under this section, an individual obtaining a temporary permit for the purpose of operating a motor vehicle to and from an examination facility as prescribed in this subsection shall also purchase the required motor vehicle examination form which is required to be completed for an examination under subsection 9 of section 301.190 and provide satisfactory evidence that such vehicle has passed a motor vehicle safety inspection for such vehicle as required in section 307.350.

- 11. The director of the department of revenue may promulgate all necessary rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be invalid and void.
- [11.] 12. The repeal and reenactment of this section shall become effective on the date the department of revenue or a producer authorized by the director of the department of revenue begins producing temporary permits described in subsection 4 of such section, or on July 1, 2013, whichever occurs first. If the director of revenue or a producer authorized by the director of the department of revenue begins producing temporary permits prior to July 1, 2013, the director of the department of revenue shall notify the revisor of statutes of such fact.
- 301.193. 1. Any person who purchases or is the owner of real property on which vehicles, as defined in section 301.010, vessels or watercraft, as defined in section 306.010, or outboard motors, as that term is used in section 306.530, have been abandoned, without the consent of said purchaser or owner of the real property, may apply to the department of revenue for a certificate of title. Any insurer which purchases a vehicle through the claims adjustment process for which the insurer is unable to obtain a negotiable title may make an application to the department of revenue for a salvage certificate of title pursuant to this section. Prior to making application for a certificate of title on a vehicle under this section, the insurer or owner

of the real estate shall have the vehicle inspected by law enforcement pursuant to subsection 9 of section 301.190, and shall have law enforcement perform a check in the national crime information center and any appropriate statewide law enforcement computer to determine if the vehicle has been reported stolen and the name and address of the person to whom the vehicle was last titled and any lienholders of record. The insurer or owner or purchaser of the real estate shall, thirty days prior to making application for title, notify any owners or lienholders of record for the vehicle by certified mail that the owner intends to apply for a certificate of title from the director for the abandoned vehicle. The application for title shall be accompanied by:

- (1) A statement explaining the circumstances by which the property came into the insurer, owner or purchaser's possession; a description of the property including the year, make, model, vehicle identification number and any decal or license plate that may be affixed to the vehicle; the current location of the property; and the retail value of the property;
- (2) An inspection report of the property, if it is a vehicle, by a law enforcement agency pursuant to subsection 9 of section 301.190; and
- (3) A copy of the thirty-day notice and certified mail receipt mailed to any owner and any person holding a valid security interest of record.
- 2. Upon receipt of the application and supporting documents, the director shall search the records of the department of revenue, or initiate an inquiry with another state, if the evidence presented indicated the property described in the application was registered or titled in another state, to verify the name and address of any owners and any lienholders. If the latest owner or lienholder was not notified the director shall inform the insurer, owner, or purchaser of the real estate of the latest owner and lienholder information so that notice may be given as required by subsection 1 of this section. Any owner or lienholder receiving notification may protest the issuance of title by, within the thirty-day notice period and may file a petition to recover the vehicle, naming the insurer or owner of the real estate and serving a copy of the petition on the director of revenue. The director shall not be a party to such petition but shall, upon receipt of the petition, suspend the processing of any further certificate of title until the rights of all parties to the vehicle are determined by the court. Once all requirements are satisfied the director shall issue one of the following:
- (1) An original certificate of title if the vehicle examination certificate, as provided in section 301.190, indicates that the vehicle was not previously in a salvaged condition or rebuilt;
- (2) An original certificate of title designated as prior salvage if the vehicle examination certificate as provided in section 301.190 indicates the vehicle was previously in a salvaged condition or rebuilt;
- (3) A salvage certificate of title designated with the words "salvage/abandoned property" or junking certificate based on the condition of the property as stated in the inspection report.

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An insurer purchasing a vehicle through the claims adjustment process under this section shall only be eligible to obtain a salvage certificate of title or junking certificate. 46

3. Any insurer which purchases a vehicle that is currently titled in Missouri through the claims adjustment process for which the insurer is unable to obtain a negotiable title may make application to the department of revenue for a salvage certificate of title or junking certificate. Such application may be made by the insurer or its designated salvage pool on a form provided by the department and signed under penalty of perjury. The application shall include a declaration that the insurer has made at least two written attempts to obtain the certificate of title, transfer documents, or other acceptable evidence of title, and be accompanied by proof of claims payment from the insurer, evidence that letters were [delivered] sent to the vehicle owner, a statement explaining the circumstances by which the property came into the insurer's possession, a description of the property including the year, make, model, vehicle identification number, and current location of the property, and the fee prescribed in subsection 5 of section 301.190. The insurer shall, thirty days prior to making application for title, notify any owners or lienholders of record for the vehicle that the insurer intends to apply for a certificate of title from the director for the vehicle. Upon receipt of the application and supporting documents, the director shall search the records of the department of revenue to verify the name and address of any owners and any lienholders. [After thirty days from receipt of the application,] If the director identifies any additional owner or lienholder who has not been notified by the insurer, the director shall inform the insurer of such additional owner or lienholder and the insurer shall notify the additional owner or lienholder of the insured's intent to obtain title as prescribed in this section. If no valid lienholders have notified the department of the existence of a lien, the department shall issue a salvage certificate of title or junking certificate for the vehicle in the name of the insurer.

301.642. Any insurer which purchases a motor vehicle or trailer through the claims adjustment process for which there is a valid lien or encumbrance perfected under sections 301.600 to 301.640 may, as an alternative to obtaining a lien release under section 301.640, apply for a salvage certificate of title or junking certificate on such motor vehicle or trailer 5 by following the procedures in this section. The insurer may request a letter of guarantee from the lienholder containing a description of the motor vehicle or trailer, including the vehicle identification number, and indicating the amount payable by the insurer to the lienholder in order to release the lien. Upon receipt from the lienholder of such letter of guarantee, the insurer may, within ten days of such receipt, remit payment to the lienholder in accordance with the letter of guarantee, and, if such payment satisfies the lien amount indicated in the letter of guarantee to release the lien, the lienholder shall provide proof of satisfaction to the insurer. This procedure shall be followed for each lienholder

indicated on the certificate of ownership for the motor vehicle or trailer. Such letter of guarantee and corresponding proof of payment need not be notarized and may be immediately transmitted electronically. The insurer may then submit proof of such payments, a copy of each letter of guarantee, and the title for such motor vehicle or trailer to the department of revenue. The department shall accept such documents in lieu of a lien release and process the insurer's application.

[301.140. 1. Upon the transfer of ownership of any motor vehicle or trailer, the certificate of registration and the right to use the number plates shall expire and the number plates shall be removed by the owner at the time of the transfer of possession, and it shall be unlawful for any person other than the person to whom such number plates were originally issued to have the same in his or her possession whether in use or not, unless such possession is solely for charitable purposes; except that the buyer of a motor vehicle or trailer who trades in a motor vehicle or trailer may attach the license plates from the traded-in motor vehicle or trailer to the newly purchased motor vehicle or trailer. The operation of a motor vehicle with such transferred plates shall be lawful for no more than thirty days. As used in this subsection, the term "trade-in motor vehicle or trailer" shall include any single motor vehicle or trailer sold by the buyer of the newly purchased vehicle or trailer, as long as the license plates for the trade-in motor vehicle or trailer are still valid.

- 2. In the case of a transfer of ownership the original owner may register another motor vehicle under the same number, upon the payment of a fee of two dollars, if the motor vehicle is of horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, not in excess of that originally registered. When such motor vehicle is of greater horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, for which a greater fee is prescribed, applicant shall pay a transfer fee of two dollars and a pro rata portion for the difference in fees. When such vehicle is of less horsepower, gross weight or (in case of a passenger-carrying commercial motor vehicle) seating capacity, for which a lesser fee is prescribed, applicant shall not be entitled to a refund.
- 3. License plates may be transferred from a motor vehicle which will no longer be operated to a newly purchased motor vehicle by the owner of such vehicles. The owner shall pay a transfer fee of two dollars if the newly purchased vehicle is of horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, not in excess of that of the vehicle which will no longer be operated. When the newly purchased motor vehicle is of greater horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle) seating capacity, for which a greater fee is prescribed, the applicant shall pay a transfer fee of two dollars and a pro rata portion of the difference in fees. When the newly purchased vehicle is of less horsepower, gross weight or (in the case of a passenger-carrying commercial motor vehicle)

seating capacity, for which a lesser fee is prescribed, the applicant shall not be entitled to a refund.

- 4. Upon the sale of a motor vehicle or trailer by a dealer, a buyer who has made application for registration, by mail or otherwise, may operate the same for a period of thirty days after taking possession thereof, if during such period the motor vehicle or trailer shall have attached thereto, in the manner required by section 301.130, number plates issued to the dealer. Upon application and presentation of proof of financial responsibility as required under subsection 5 of this section and satisfactory evidence that the buyer has applied for registration, a dealer may furnish such number plates to the buyer for such temporary use. In such event, the dealer shall require the buyer to deposit the sum of ten dollars and fifty cents to be returned to the buyer upon return of the number plates as a guarantee that said buyer will return to the dealer such number plates within thirty days. The director shall issue a temporary permit authorizing the operation of a motor vehicle or trailer by a buyer for not more than thirty days of the date of purchase.
- 5. The temporary permit shall be made available by the director of revenue and may be purchased from the department of revenue upon proof of purchase of a motor vehicle or trailer for which the buyer has no registration plate available for transfer and upon proof of financial responsibility, or from a dealer upon purchase of a motor vehicle or trailer for which the buyer has no registration plate available for transfer. The director shall make temporary permits available to registered dealers in this state or authorized agents of the department of revenue in sets of ten permits. The fee for the temporary permit shall be seven dollars and fifty cents for each permit or plate issued. No dealer or authorized agent shall charge more than seven dollars and fifty cents for each permit issued. The permit shall be valid for a period of thirty days from the date of purchase of a motor vehicle or trailer, or from the date of sale of the motor vehicle or trailer by a dealer for which the purchaser obtains a permit as set out above. No permit shall be issued for a vehicle under this section unless the buyer shows proof of financial responsibility.
- 6. The permit shall be issued on a form prescribed by the director and issued only for the applicant's use in the operation of the motor vehicle or trailer purchased to enable the applicant to legally operate the vehicle while proper title and registration plate are being obtained, and shall be displayed on no other vehicle. Temporary permits issued pursuant to this section shall not be transferable or renewable and shall not be valid upon issuance of proper registration plates for the motor vehicle or trailer. The director shall determine the size and numbering configuration, construction, and color of the permit.
- 7. The dealer or authorized agent shall insert the date of issuance and expiration date, year, make, and manufacturer's number of vehicle on the permit when issued to the buyer. The dealer shall also insert such dealer's number on the permit. Every dealer that issues a temporary permit shall keep, for inspection of

proper officers, a correct record of each permit issued by recording the permit or plate number, buyer's name and address, year, make, manufacturer's vehicle identification number on which the permit is to be used, and the date of issuance.

- 8. Upon the transfer of ownership of any currently registered motor vehicle wherein the owner cannot transfer the license plates due to a change of vehicle category, the owner may surrender the license plates issued to the motor vehicle and receive credit for any unused portion of the original registration fee against the registration fee of another motor vehicle. Such credit shall be granted based upon the date the license plates are surrendered. No refunds shall be made on the unused portion of any license plates surrendered for such credit.
- 9. An additional temporary license plate produced in a manner and of materials determined by the director to be the most cost-effective means of production with a configuration that matches an existing or newly issued plate may be purchased by a motor vehicle owner to be placed in the interior of the vehicle's rear window such that the driver's view out of the rear window is not obstructed and the plate configuration is clearly visible from the outside of the vehicle to serve as the visible plate when a bicycle rack or other item obstructs the view of the actual plate. Such temporary plate is only authorized for use when the matching actual plate is affixed to the vehicle in the manner prescribed in subsection 5 of section 301.130. The fee charged for the temporary plate shall be equal to the fee charged for a temporary permit issued under subsection 5 of this section. Replacement temporary plates authorized in this subsection may be issued as needed upon the payment of a fee equal to the fee charged for a temporary permit under subsection 5 of this section. The newly produced third plate may only be used on the vehicle with the matching plate, and the additional plate shall be clearly recognizable as a third plate and only used for the purpose specified in this subsection.
- 10. The director may promulgate all necessary rules and regulations for the administration of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be invalid and void.]

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