

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2187

02/13/2012 Authored by Vogel, Beard, Nelson and Daudt
The bill was read for the first time and referred to the Committee on Transportation Policy and Finance

03/05/2012 Adoption of Report: Pass as Amended and Read Second Time

03/28/2012 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

1.1 A bill for an act
1.2 relating to public safety; vehicle titles; clarifying requirements pertaining to
1.3 bonds and issuance of title; amending Minnesota Statutes 2010, sections 168.27,
1.4 subdivision 28; 168A.20, subdivision 5.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2010, section 168.27, subdivision 28, is amended to read:

1.7 Subd. 28. **Distribution of plates and stickers.** The commissioner may distribute
1.8 registration plates and stickers to be held and issued by new and used motor vehicle dealers.
1.9 A dealer may issue registration plates and stickers only in conjunction with ~~and at the time~~
1.10 ~~of~~ the sale of a vehicle by the dealer. A dealer permitted to hold and issue registration
1.11 plates and stickers must be equipped with electronic transmission technology and trained
1.12 in its use. Before receiving registration plates and stickers under this subdivision, a dealer
1.13 must adopt and implement security and record-keeping requirements satisfactory to the
1.14 commissioner. The commissioner may revoke the authority granted under this subdivision
1.15 for any violation of law or rule governing the issuance of registration plates and stickers,
1.16 any violation of the dealer's security and record-keeping plan, or any other action that
1.17 in the commissioner's opinion adversely affects the registration system. The dealer is
1.18 financially responsible for the cost and tax value of any unaccounted inventory.

1.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

1.20 Sec. 2. Minnesota Statutes 2010, section 168A.20, subdivision 5, is amended to read:

1.21 Subd. 5. **Satisfaction of automobile lien seven years old; release.** A security
1.22 interest perfected under this chapter may be canceled seven years from the perfection
1.23 date for a passenger automobile, as defined in section 168.002, subdivision 24, upon the

2.1 request of the owner of the passenger automobile, if the owner has paid the lien in full
2.2 and is unable to locate the lienholder to obtain a lien release. At a minimum, the owner
2.3 must send a letter to the lienholder by certified mail, return receipt requested, requesting a
2.4 lien release. If the owner is unable to obtain a lien release by sending a letter by certified
2.5 mail, then the owner must present to the department or its agent the returned letter as
2.6 evidence of the attempted contact. This subdivision applies only to (1) vehicle owners
2.7 who are individuals; or (2) dealers licensed under section 168.27, subdivision 2 or 3, who
2.8 are purchasing a vehicle from an individual owner for resale.