

SECOND REGULAR SESSION

# SENATE BILL NO. 547

89TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR HOWARD.

Pre-filed December 1, 1997, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S2477.011

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## AN ACT

To repeal sections 301.217, 301.218 and 301.227, RSMo 1994, and sections 301.010, 301.020, 301.190, 301.570 and 301.573, RSMo Supp. 1997, relating to rebuilt motor vehicles, and to enact in lieu thereof seven new sections relating to the same subject, with penalty provisions.

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

Section A. Section 301.217, 301.218 and 301.227, RSMo 1994, and sections 301.010, 301.020, 301.190, 301.570 and 301.573, RSMo Supp. 1997, are repealed and seven new sections enacted in lieu thereof, to be known as sections 301.010, 301.020, 301.190, 301.217, 301.218, 301.227 and 301.570, to read as follows:

301.010. As used in this chapter and sections 304.010 to 304.040, 304.120 to 304.260, RSMo, and sections 307.010 to 307.175, RSMo, the following terms mean:

(1) "All-terrain vehicle", any motorized vehicle manufactured and used exclusively for off-highway use which is fifty inches or less in width, with an unladen dry weight of six hundred pounds or less, traveling on three, four or more low pressure tires, with a seat designed to be straddled by the operator, and handlebars for steering control;

(2) "Automobile transporter", any vehicle combination designed and used specifically for the transport of assembled motor vehicles;

(3) "Axle load", the total load transmitted to the road by all wheels whose centers are included between two parallel transverse vertical planes forty inches apart, extending across the full width of the vehicle;

(4) "Boat transporter", any vehicle combination designed and used specifically to transport assembled boats and boat hulls;

(5) "Body shop", a business that repairs physical damage on motor vehicles that are not

owned by the shop or its officers or employees by mending, straightening, replacing body parts, or painting;

(6) "Bus", a motor vehicle primarily for the transportation of a driver and eight or more passengers but not including shuttle buses;

(7) "Commercial motor vehicle", a motor vehicle designed or regularly used for carrying freight and merchandise, or more than eight passengers but not including vanpools or shuttle buses;

(8) "Cotton trailer", a trailer designed and used exclusively for transporting cotton at speeds less than forty miles per hour from field to field or from field to market and return;

(9) "Dealer", any person, firm, corporation, association, agent or subagent engaged in the sale or exchange of new, used or reconstructed motor vehicles or trailers;

(10) "Director" or "director of revenue", the director of the department of revenue;

(11) "Driveaway operation", the movement of a motor vehicle or trailer by any person or motor carrier other than a dealer over any public highway, under its own power singly, or in a fixed combination of two or more vehicles, for the purpose of delivery for sale or for delivery either before or after sale;

(12) "Farm tractor", a tractor used exclusively for agricultural purposes;

(13) "Fleet", any group of ten or more motor vehicles owned by the same owner;

(14) "Fleet vehicle", a motor vehicle which is included as part of a fleet;

(15) "Fullmount", a vehicle mounted completely on the frame of either the first or last vehicle in a saddlemount combination;

(16) "Gross weight", the weight of vehicle and/or vehicle combination without load, plus the weight of any load thereon;

(17) "Hail-damaged vehicle", any vehicle, the body of which has become dented as the result of the impact of hail;

(18) "Highway", any public thoroughfare for vehicles, including state roads, county roads and public streets, avenues, boulevards, parkways or alleys in any municipality;

(19) "Improved highway", a highway which has been paved with gravel, macadam, concrete, brick or asphalt, or surfaced in such a manner that it shall have a hard, smooth surface;

(20) "Intersecting highway", any highway which joins another, whether or not it crosses the same;

(21) "Junk vehicle", a vehicle which is incapable of operation or use upon the highways and has no resale value except as a source of parts or scrap, and shall not be titled or registered;

(22) "Kit vehicle", a motor vehicle assembled by a person other than a generally recognized manufacturer of motor vehicles by the use of a glider kit or replica purchased from an authorized manufacturer and accompanied by a manufacturer's statement of origin;

(23) "Land improvement contractors' commercial motor vehicle", any not-for-hire

commercial motor vehicle the operation of which is confined to:

(a) An area that extends not more than a radius of one hundred miles from its home base of operations when transporting its owner's machinery, equipment, or auxiliary supplies to or from projects involving soil and water conservation, or to and from equipment dealers' maintenance facilities for maintenance purposes; or

(b) An area that extends not more than a radius of twenty-five miles from its home base of operations when transporting its owner's machinery, equipment, or auxiliary supplies to or from projects not involving soil and water conservation. Nothing in this subdivision shall be construed to prevent any motor vehicle from being registered as a commercial motor vehicle or local commercial motor vehicle;

(24) "Local commercial motor vehicle", a commercial motor vehicle whose operations are confined solely to a municipality and that area extending not more than fifty miles therefrom, or a commercial motor vehicle whose property-carrying operations are confined solely to the transportation of property owned by any person who is the owner or operator of such vehicle to or from a farm owned by such person or under the person's control by virtue of a landlord and tenant lease; provided that any such property transported to any such farm is for use in the operation of such farm;

(25) "Local log truck", a commercial motor vehicle which is registered pursuant to this chapter to operate as a motor vehicle on the public highways of this state, used exclusively in this state, used to transport harvested forest products, operated solely at a forested site and in an area extending not more than a fifty-mile radius from such site, carries a load with dimensions not in excess of twenty-five cubic yards per two axles with dual wheels, does not have more than four axles and does not pull a pup which has more than two axles;

(26) "Local transit bus", a bus whose operations are confined wholly within a municipal corporation, or wholly within a municipal corporation and a commercial zone, as defined in section 390.020, RSMo, adjacent thereto, forming a part of a public transportation system within such municipal corporation and such municipal corporation and adjacent commercial zone;

(27) "Log truck", a vehicle which is not a local log truck and is used exclusively to transport harvested forest products to and from forested sites which is registered pursuant to this chapter to operate as a motor vehicle on the public highways of this state for the transportation of harvested forest products;

(28) "Major component parts", the rear clip, [cowl,] **complete** frame, body, [cab,] front-end assembly, and front clip, as those terms are defined by the director of revenue pursuant to rules and regulations or by illustrations;

(29) "Manufacturer", any person, firm, corporation or association engaged in the business of manufacturing or assembling motor vehicles, trailers or vessels for sale;

**(30) "Minor component parts", the front one-half of the frame, rear one-half of**

**the frame, truck bed, lower cowl side, or lower one-half cowl, as those terms are defined by the director of revenue under rules and regulations or by illustration;**

[(30)] **(31)** "Mobile scrap processor", a business located in Missouri or any other state that comes onto a salvage site and crushes motor vehicles and parts for transportation to a shredder or scrap metal operator for recycling;

[(31)] **(32)** "Motor change vehicle", a vehicle manufactured prior to August 1957, which receives a new, rebuilt or used engine, and which used the number stamped on the original engine as the vehicle identification number;

[(32)] **(33)** "Motor vehicle", any self-propelled vehicle not operated exclusively upon tracks, except farm tractors;

[(33)] **(34)** "Motor vehicle primarily for business use", any vehicle other than a recreational motor vehicle, motorcycle, motortricycle, or any commercial motor vehicle licensed for over twelve thousand pounds:

(a) Offered for hire or lease; or

(b) The owner of which also owns ten or more such motor vehicles;

[(34)] **(35)** "Motorcycle", a motor vehicle operated on two wheels;

[(35)] **(36)** "Motorized bicycle", any two-wheeled or three-wheeled device having an automatic transmission and a motor with a cylinder capacity of not more than fifty cubic centimeters, which produces less than three gross brake horsepower, and is capable of propelling the device at a maximum speed of not more than thirty miles per hour on level ground;

[(36)] **(37)** "Motortricycle", a motor vehicle operated on three wheels, including a motorcycle while operated with any conveyance, temporary or otherwise, requiring the use of a third wheel. A motortricycle shall not be included in the definition of all-terrain vehicle;

[(37)] **(38)** "Municipality", any city, town or village, whether incorporated or not;

[(38)] **(39)** "Nonresident", a resident of a state or country other than the state of Missouri;

[(39)] **(40)** "Non-USA-std motor vehicle", a motor vehicle not originally manufactured in compliance with United States emissions or safety standards;

[(40)] **(41)** "Operator", any person who operates or drives a motor vehicle;

[(41)] **(42)** "Owner", any person, firm, corporation or association, who holds the legal title to a vehicle or in the event a vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purpose of this law;

**(43) "Primary component parts", the cowl, truck cab or, for a unibody vehicle only, the front end assembly when cut forward of the cowl and behind the spring tower, as those terms are defined by the director of revenue pursuant to rules and regulations**

**or by illustration; fire or water damage in excess of two thousand five hundred dollars shall be considered as damage to a primary component part, and any vehicle cut into two separate sections between the two axles shall be considered to have damage to a primary component part;**

**(44) "Prior salvage vehicle", a motor vehicle which has previously been issued a salvage certificate of title and is rebuilt so that it may be issued an original title under section 301.190, or a salvage vehicle which was rebuilt before obtaining a prior salvage certificate of title;**

[(42)] **(45)** "Public garage", a place of business where motor vehicles are housed, stored, repaired, reconstructed or repainted for persons other than the owners or operators of such place of business;

[(43)] **(46)** "Rebuilder", a business that repairs or rebuilds motor vehicles owned by the rebuilder, but does not include certificated common or contract carriers of persons or property;

[(44)] **(47)** "Reconstructed motor vehicle", a vehicle that is altered from its original construction by the addition or substitution of two or more new or used major component parts, excluding motor vehicles made from all new parts, and new multistage manufactured vehicles;

**(48) "Reconstruction", repair of a vehicle part which requires cutting, bending, straightening or welding when the cost of repair exceeds the cost of a replacement part;**

[(45)] **(49)** "Recreational motor vehicle", any motor vehicle designed, constructed or substantially modified so that it may be used and is used for the purposes of temporary housing quarters, including therein sleeping and eating facilities which are either permanently attached to the motor vehicle or attached to a unit which is securely attached to the motor vehicle. Nothing herein shall prevent any motor vehicle from being registered as a commercial motor vehicle if the motor vehicle could otherwise be so registered;

[(46)] **(50)** "Rollback or car carrier", any vehicle specifically designed to transport wrecked, disabled or otherwise inoperable vehicles, when the transportation is directly connected to a wrecker or towing service;

[(47)] **(51)** "Saddlemount combination", a combination of vehicles in which a truck or truck tractor tows one or more trucks or truck tractors, each connected by a saddle to the frame or fifth wheel of the vehicle in front of it. The saddle is a mechanism that connects the front axle of the towed vehicle to the frame or fifth wheel of the vehicle in front and functions like a fifth wheel kingpin connection. When two vehicles are towed in this manner the combination is called a double saddlemount combination. When three vehicles are towed in this manner, the combination is called a triple saddlemount combination;

**(52) "Salvage certificate of title", the title issued by the department of revenue as proof of ownership for a salvage vehicle;**

[(48)] **(53)** "Salvage dealer and dismantler", a business that dismantles used motor

vehicles for the sale of the parts thereof, and buys and sells used motor vehicle parts and accessories;

**(54) "Salvage pool" or "salvage disposal sale", a scheduled sale at auction or by private bid of salvage vehicles or trailers by insurance companies, underwriters or dealers, either at retail or wholesale;**

[(49)] **(55) "Salvage vehicle", a motor vehicle, semitrailer, [or house] trailer or manufactured home as defined in section 700.010, RSMo, which, by reason of condition or circumstance, has been declared salvage, either by its owner, or by a person, firm, corporation, or other legal entity exercising the right of security interest in it, or which is purchased for dismantling or rebuilding [or by an insurance company as a result of settlement of a claim for loss due to damage or theft; or a vehicle, ownership of which is evidenced by a salvage title]; or abandoned property which is titled pursuant to section 304.155, RSMo, or section 304.157, RSMo, and designated with the words "salvage/abandoned property"; or a motor vehicle which has sustained current damage sufficient to require the reconstruction or replacement of the following:**

**(a) One primary component part;**

**(b) Two or more major component parts; or**

**(c) Three or more minor and/or major component parts;**

[(50)] **(56) "School bus", any motor vehicle used solely to transport students to or from school or to transport students to or from any place for educational purposes;**

[(51)] **(57) "Shuttle bus", a motor vehicle used or maintained by any person, firm, or corporation as an incidental service to transport patrons or customers of the regular business of such person, firm, or corporation to and from the place of business of the person, firm, or corporation providing the service at no fee or charge. Shuttle buses shall not be registered as buses or as commercial motor vehicles;**

[(52)] **(58) "Special mobile equipment", every self-propelled vehicle not designed or used primarily for the transportation of persons or property and incidentally operated or moved over the highways, including farm equipment, implements of husbandry, road construction or maintenance machinery, ditch-digging apparatus, stone crushers, air compressors, power shovels, cranes, graders, rollers, well-drillers and wood-sawing equipment used for hire, asphalt spreaders, bituminous mixers, bucket loaders, ditchers, leveling graders, finished machines, motor graders, road rollers, scarifiers, earth-moving carryalls, scrapers, drag lines, rock-drilling and earth-moving equipment. This enumeration shall be deemed partial and shall not operate to exclude other such vehicles which are within the general terms of this section;**

[(53)] **(59) "Specially constructed motor vehicle", a motor vehicle which shall not have been originally constructed under a distinctive name, make, model or type by a manufacturer of motor vehicles. The term "specially constructed motor vehicle" includes kit vehicles;**

[(54)] **(60)** "Stinger-steered combination", a truck tractor-semitrailer wherein the fifth wheel is located on a drop frame located behind and below the rearmost axle of the power unit;

**(61)** "Stolen vehicle certificate of title", the title issued by the department of revenue as proof of ownership of a motor vehicle which has been stolen and not recovered;

[(55)] **(62)** "Tandem axle", a group of two or more axles, arranged one behind another, the distance between the extremes of which is more than forty inches and not more than ninety-six inches apart;

[(56)] **(63)** "Tractor", "truck tractor" or "truck-tractor", a self-propelled motor vehicle designed for drawing other vehicles, but not for the carriage of any load when operating independently. When attached to a semitrailer, it supports a part of the weight thereof;

[(57)] **(64)** "Trailer", any vehicle without motive power designed for carrying property or passengers on its own structure and for being drawn by a self-propelled vehicle, except those running exclusively on tracks, including a semitrailer or vehicle of the trailer type so designed and used in conjunction with a self-propelled vehicle that a considerable part of its own weight rests upon and is carried by the towing vehicle. The term "trailer" shall not include cotton trailers as defined in subdivision (8) of this section and shall not include manufactured homes as defined in section 700.010, RSMo;

[(58)] **(65)** "Truck", a motor vehicle designed, used, or maintained for the transportation of property;

[(59)] **(66)** "Truck-tractor semitrailer-semitrailer", a combination vehicle in which the two trailing units are connected with a B-train assembly which is a rigid frame extension attached to the rear frame of a first semitrailer which allows for a fifth-wheel connection point for the second semitrailer and has one less articulation point than the conventional "A dolly" connected truck-tractor semitrailer-trailer combination;

[(60)] **(67)** "Truck-trailer boat transporter combination", a boat transporter combination consisting of a straight truck towing a trailer using typically a ball and socket connection with the trailer axle located substantially at the trailer center of gravity rather than the rear of the trailer but so as to maintain a downward force on the trailer tongue;

[(61)] **(68)** "Used parts dealer", a business that buys and sells used motor vehicle parts or accessories, but not including a business that sells only new, remanufactured or rebuilt parts. "Business" does not include isolated sales at a swap meet of less than three days;

[(62)] **(69)** "Vanpool", any van or other motor vehicle used or maintained by any person, group, firm, corporation, association, city, county or state agency, or any member thereof, for the transportation of not less than eight nor more than forty-eight employees, per motor vehicle, to and from their place of employment; however, a vanpool shall not be included in the definition of

the term "bus" or "commercial motor vehicle" as defined by subdivisions (6) and (7) of this section, nor shall a vanpool driver be deemed a "chauffeur" as that term is defined by section 302.010, RSMo; nor shall use of a vanpool vehicle for ride-sharing arrangements, recreational, personal, or maintenance uses constitute an unlicensed use of the motor vehicle, unless used for monetary profit other than for use in a ride-sharing arrangement;

[(63)] **(70)** "Vehicle", any mechanical device on wheels, designed primarily for use, or used, on highways, except motorized bicycles, vehicles propelled or drawn by horses or human power, or vehicles used exclusively on fixed rails or tracks, or cotton trailers or motorized wheelchairs operated by handicapped persons;

[(64)] **(71)** "Wrecker" or "tow truck", any emergency commercial vehicle equipped, designed and used to assist or render aid and transport or tow disabled or wrecked vehicles from a highway, road, street or highway rights-of-way to a point of storage or repair, including towing a replacement vehicle to replace a disabled or wrecked vehicle;

[(65)] **(72)** "Wrecker or towing service", the act of transporting, towing or recovering with a wrecker, tow truck, rollback or car carrier any vehicle not owned by the operator of the wrecker, tow truck, rollback or car carrier for which the operator directly or indirectly receives compensation or other personal gain.

301.020. 1. Every owner of a motor vehicle or trailer, which shall be operated or driven upon the highways of this state, except as herein otherwise expressly provided, shall annually file, by mail or otherwise, in the office of the director of revenue, an application for registration on a blank to be furnished by the director of revenue for that purpose containing:

(1) A brief description of the motor vehicle or trailer to be registered, including the name of the manufacturer, the vehicle identification number, the amount of motive power of the motor vehicle, stated in figures of horsepower and whether the motor vehicle is to be registered as a motor vehicle primarily for business use as defined in section 301.010;

(2) The name, the applicant's identification number and address of the owner of such motor vehicle or trailer;

(3) The **licensed** gross weight of the vehicle and the desired load in pounds if the vehicle is a commercial motor vehicle or trailer.

2. If the vehicle is a motor vehicle primarily for business use as defined in section 301.010 and if such vehicle is five years of age or less, the director of revenue shall retain the odometer information provided in the vehicle inspection report, and provide for prompt access to such information, together with the vehicle identification number for the motor vehicle to which such information pertains, for a period of five years after the receipt of such information. This section shall not apply unless:

(1) The application for the vehicle's certificate of ownership was submitted after July 1, 1989; and

(2) The certificate was issued pursuant to a manufacturer's statement of origin.

3. If the vehicle is any motor vehicle other than a motor vehicle primarily for business use, a recreational motor vehicle, motorcycle, motortricycle, bus or any commercial motor vehicle licensed for over twelve thousand pounds and if such motor vehicle is five years of age or less, the director of revenue shall retain the odometer information provided in the vehicle inspection report, and provide for prompt access to such information, together with the vehicle identification number for the motor vehicle to which such information pertains, for a period of five years after the receipt of such information. This subsection shall not apply unless:

(1) The application for the vehicle's certificate of ownership was submitted after July 1, 1990; and

(2) The certificate was issued pursuant to a manufacturer's statement of origin.

4. If the vehicle qualifies as a [reconstructed] **salvage** motor vehicle, motor change vehicle, specially constructed motor vehicle, **or** non-USA-std motor vehicle, as defined in section 301.010, the owner or lienholder shall surrender the certificate of ownership **or the salvage certificate of title, as appropriate**. The owner shall make an application for a new certificate of ownership, pay the required title fee, and obtain the vehicle examination certificate required pursuant to section 301.190. [Notarized] Bills of sale **issued by the seller** along with a **notarized statement as to the validity of each and** a copy of the front and back of the certificate of ownership for all **minor component parts having serial numbers and all primary and** major component parts installed on the vehicle and invoices for all essential parts which are not defined as **primary**, major **and minor** component parts shall accompany the application for a new certificate of ownership. If the vehicle is a specially constructed motor vehicle, as defined in section 301.010, two pictures of the vehicle shall be submitted with the application. If the vehicle is a kit vehicle, the applicant shall submit the invoice and the manufacturer's statement of origin on the kit. If the vehicle requires the issuance of a special number by the director of revenue or a replacement vehicle identification number, the applicant shall submit the required application and application fee. All applications required under this subsection shall be submitted with any applicable taxes which may be due on the purchase of the vehicle or parts. The director of revenue shall appropriately designate "[Reconstructed Motor] **Prior Salvage** Vehicle", "Motor Change Vehicle", "Non-USA-Std Motor Vehicle", or "Specially Constructed Motor Vehicle" on the current and all subsequent issues of the certificate of ownership of such vehicle. **The certificate of ownership for a prior salvage vehicle which has suffered at least two thousand five hundred dollars of fire or water damage shall indicate such type of damage following the "prior salvage vehicle" brand.**

5. Every insurance company which pays a claim for repair of a motor vehicle which as the result of such [repairs] **damage and subsequent repair** becomes a [reconstructed] **prior salvage** motor vehicle as defined in section 301.010 shall in writing notify the claimant, if he is

the owner of the vehicle, and the lienholder if a lien is in effect, that he is required to surrender the certificate of ownership, and the documents and fees required pursuant to subsection [3] 4 of this section, to the director of revenue. The insurance company shall within thirty days of the payment of such claims report to the director of revenue the name and address of such claimant, the year, make, model, vehicle identification number, and license plate number of the vehicle, and the date of loss and **amount of payment for physical damage to the vehicle.**

6. Anyone who fails to comply with the requirements of this section shall be guilty of a class B misdemeanor.

301.190. 1. No certificate of registration of any motor vehicle or trailer, or number plate therefor, shall be issued by the director of revenue unless the applicant therefor shall make application for and be granted a certificate of ownership of such motor vehicle or trailer, or shall present satisfactory evidence that such certificate has been previously issued to the applicant for such motor vehicle or trailer. Application shall be made within thirty days after the applicant acquires the motor vehicle or trailer upon a blank form furnished by the director of revenue and shall contain the applicant's identification number, a full description of the motor vehicle or trailer, the vehicle identification number, and the mileage registered on the odometer at the time of transfer of ownership, as required by section 407.536, RSMo, together with a statement of the applicant's source of title and of any liens or encumbrances on the motor vehicle or trailer, provided that for good cause shown the director of revenue may extend the period of time for making such application.

2. The director of revenue shall use reasonable diligence in ascertaining whether the facts stated in such application are true and shall, to the extent possible without substantially delaying processing of the application, review any odometer information pertaining to such motor vehicle that is accessible to the director of revenue. If satisfied that the applicant is the lawful owner of such motor vehicle or trailer, or otherwise entitled to have the same registered in his name, the director shall thereupon issue an appropriate certificate over his signature and sealed with the seal of his office, procured and used for such purpose. The certificate shall contain on its face a complete description, vehicle identification number, and other evidence of identification of the motor vehicle or trailer, as the director of revenue may deem necessary, together with the odometer information required to be put on the face of the certificate pursuant to section 407.536, RSMo, a statement of any liens or encumbrances which the application may show to be thereon, and, if ownership of the vehicle has been transferred, the name of the state issuing the transferor's title and whether the transferor's odometer mileage statement executed pursuant to section 407.536, RSMo, indicated that the true mileage is materially different from the number of miles shown on the odometer, or is unknown.

3. The director of revenue shall appropriately designate on the current and all subsequent issues of the certificate the words "[Reconstructed Motor] **Prior Salvage Vehicle**", "Motor Change

Vehicle", "Specially Constructed Motor Vehicle", or "Non-USA-Std Motor Vehicle", as defined in section 301.010. **The certificate for a prior salvage vehicle which has suffered at least two thousand five hundred dollars of fire or water damage shall indicate such type of damage following the "prior salvage vehicle" brand.** Effective July 1, 1990, on all original and all subsequent issues of the certificate for motor vehicles as referenced in subsections 2 and 3 of section 301.020, the director shall print on the face thereof the following designation: "Annual odometer updates may be available from the department of revenue." On any duplicate certificate, the director of revenue shall reprint on the face thereof the most recent of either:

(1) The mileage information included on the face of the immediately prior certificate and the date of purchase or issuance of the immediately prior certificate; or

(2) Any other mileage information provided to the director of revenue, and the date the director obtained or recorded that information.

4. The certificate of ownership issued by the director of revenue shall be manufactured in a manner to prohibit as nearly as possible the ability to alter, counterfeit, duplicate, or forge such certificate without ready detection. In order to carry out the requirements of this subsection, the director of revenue may contract with a nonprofit scientific or educational institution specializing in the analysis of secure documents to determine the most effective methods of rendering Missouri certificates of ownership nonalterable or noncounterfeitable.

5. The fee for each original certificate so issued shall be eight dollars and fifty cents, in addition to the fee for registration of such motor vehicle or trailer. If application for the certificate is not made within thirty days after the vehicle is acquired by the applicant, a delinquency penalty fee of twenty-five dollars for the first thirty days of delinquency and twenty-five dollars for each thirty days of delinquency thereafter, not to exceed a total of one hundred dollars, shall be imposed, but such penalty may be waived by the director for a good cause shown. If the director of revenue learns that any person has failed to obtain a certificate within thirty days after acquiring a motor vehicle or trailer or has sold a vehicle without obtaining a certificate, he shall cancel the registration of all vehicles registered in the name of the person, either as sole owner or as a coowner, and shall notify the person that the cancellation will remain in force until the person pays the delinquency penalty fee provided in this section, together with all fees, charges and payments which he should have paid in connection with the certificate of ownership and registration of the vehicle. The certificate shall be good for the life of the motor vehicle or trailer so long as the same is owned or held by the original holder of the certificate and shall not have to be renewed annually.

6. Any application for a certificate of ownership requesting the department of revenue to process an application for a certificate of ownership in an expeditious manner requiring special handling shall pay a fee of five dollars in addition to the regular certificate of ownership fee.

7. It is unlawful for any person to operate in this state a motor vehicle or trailer required

to be registered under the provisions of the law unless a certificate of ownership has been issued as herein provided.

8. Before an original Missouri certificate of ownership is issued, an inspection of the vehicle and a verification of vehicle identification numbers shall be made by the Missouri state highway patrol on vehicles for which there is a current title issued by another state if a Missouri salvage certificate of title has been issued for the same vehicle but no prior inspection and verification has been made in this state, except that if such vehicle has been inspected in another state by a law enforcement officer in a manner comparable to the inspection process in this state and the vehicle identification numbers have been so verified, the applicant shall not be liable for the twenty-five dollar inspection fee if such applicant submits proof of inspection and vehicle identification number verification to the director of revenue at the time of the application. The applicant, who has such a title for a vehicle on which no prior inspection and verification have been made, shall pay a fee of twenty-five dollars for such verification and inspection, payable to the director of revenue at the time of the request for the application, which shall be deposited in the state treasury to the credit of the state highway fund.

9. Each application for an original Missouri certificate of ownership for a vehicle which is classified as a **[reconstructed motor] prior salvage** vehicle, specially constructed motor vehicle, kit vehicle, motor change vehicle, non-USA-std motor vehicle, or other vehicle as required by the director of revenue, shall be accompanied by a vehicle examination certificate issued by the Missouri state highway patrol, or other law enforcement agency as authorized by the director of revenue. The vehicle examination shall include a verification of vehicle identification numbers and a determination of the classification of the vehicle. The owner of a vehicle which requires a vehicle examination certificate shall present the vehicle for examination and obtain a completed vehicle examination certificate prior to submitting an application for a certificate of ownership to the director of revenue. The fee for the vehicle examination application shall be twenty-five dollars and shall be collected by the director of revenue at the time of the request for the application and shall be deposited in the state treasury to the credit of the state highway fund.

10. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, it shall be accompanied by a current inspection form certified by a duly authorized official inspection station as described in chapter 307, RSMo. The completed form shall certify that the manufacturer's identification number for the vehicle has been inspected, that it is correctly displayed on the vehicle and shall certify the reading shown on the odometer at the time of inspection. The inspection station shall collect the same fee as authorized in section 307.365, RSMo, for making the inspection, and the fee shall be deposited in the same manner as provided in section 307.365, RSMo. If the vehicle is also to be registered in Missouri, the safety and emissions inspections required in chapter 307, RSMo, shall be completed and only the fees required by sections 307.365 and 307.366, RSMo, shall

be charged to the owner. This section shall not apply to vehicles being transferred on a manufacturer's statement of origin.

11. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as [reconstructed motor] **prior salvage** vehicle, motor change vehicle, specially constructed motor vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the name of the issuing state and such prior designation.

12. When an application is made for an original Missouri certificate of ownership for a motor vehicle previously registered or titled in a state other than Missouri, and the certificate of ownership has been appropriately designated by the issuing state as non-USA-std motor vehicle, the director of revenue shall appropriately designate on the current Missouri and all subsequent issues of the certificate of ownership the words "Non-USA-Std Motor Vehicle".

**13. When an application is made for an original Missouri certificate of ownership by an insurance company which has acquired the vehicle as the result of a claim under a contract of insurance, the insurance company shall provide information with the application to indicate that the vehicle was acquired as the result of such a claim. The department of revenue shall determine the type of information and documents that are required by this subsection, and no sales tax shall be required for such transfer unless the insurance company registers the vehicle.**

**14.** The director of revenue and the superintendent of the Missouri state highway patrol shall make and enforce rules for the administration of the inspections required by this section.

301.217. [1. As used in sections 301.217 to 301.229, the following words and phrases mean:

(1) "Purchaser", the buyer of a salvage vehicle, including an insurance company for purposes of sections 301.217 to 301.229;

(2) "Salvage certificate of title", the title issued by the department of revenue as proof of ownership for a salvaged vehicle, and it shall not be acceptable for the purpose of registering a motor vehicle. The salvage title shall be negotiable with one reassignment on back by registered dealers only. The redeemed title shall be returned in its original form;

(3) "Salvage pool" or "salvage disposal sale", a scheduled sale at auction or by private bid of wrecked or repairable motor vehicles or trailers by insurance companies, underwriters, or dealers, either at retail or wholesale.]

**1. Salvage certificates of title shall be negotiable with only one reassignment for use by registered dealers only. Stolen vehicle certificates of title shall not be negotiable. Neither a salvage certificate of title nor a stolen vehicle certificate of title shall be acceptable for the purpose of registering a motor vehicle for licensure.**

2. The department of revenue may issue a **salvage** certificate of title for a salvaged motor

vehicle at least twenty-five years old and if, in the judgment of the department of revenue it may be needed, require the applicant to file with the department of revenue a corporate surety bond in the form prescribed by the department and executed by the applicant, and executed by a person authorized to conduct a surety business in this state. The bond shall be in an amount equal to one and one-half times the value of the vehicle as determined by the department and conditioned to indemnify any prior owner and lienholder and any subsequent purchaser of the vehicle or person acquiring any security interest in it, and their respective successors in interest, against any expense, loss or damage, including reasonable attorney's fees, by reason of the issuance of the certificate of title of the vehicle or on account of any defect in or undisclosed security interest upon the right, title and interest of the applicant in and to the vehicle. Any such interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The bond shall be returned at the end of three years or prior thereto if the vehicle is no longer registered in this state and the currently valid certificate of title is surrendered to the department, unless the department has been notified of the pendency of an action to recover on the bond.

301.218. 1. No person shall, except as an incident to the sale, repair, rebuilding or servicing of vehicles by a licensed franchised motor vehicle dealer carry on or conduct the following business unless licensed to do so by the department of revenue under sections 301.217 to 301.229:

(1) Selling used parts of or used accessories for vehicles as a used parts dealer, as defined in section 301.010;

(2) Salvaging, wrecking or dismantling vehicles for resale of the parts thereof as a salvage dealer or dismantler, as defined in section 301.010;

(3) Rebuilding and repairing four or more wrecked or dismantled vehicles in a calendar year as a rebuilder or body shop, as defined in section 301.010;

(4) Processing scrapped vehicles or vehicle parts as a mobile scrap processor, as defined in section 301.010.

2. Sales at a salvage pool or a salvage disposal sale shall be open only to and made to persons holding a current license under sections 301.217 to 301.221 as a salvage dealer and dismantler **or as a rebuilder** and actually engaged in that business. Such persons must have and present a separate buyer's identification card issued by the department of revenue to buy at a salvage pool or salvage disposal sale. If the prospective purchasers are not engaged in such business in Missouri but are in some other state, then they shall submit a fee of twenty-five dollars and must furnish proof of licensure or nonrequirement therefor from their state to the director of revenue who shall issue a buyer's identification card after verifying that the prospective purchaser is entitled to have the same in order to buy salvage vehicles. The director of revenue shall adopt rules for criteria and requirements for out of state, prospective purchasers to meet in order to be

issued a buyer's identification card. Operators of salvage pools or salvage disposal sales shall keep a record, for three years, of sales of salvage vehicles with the purchasers' name and address, and the year, make, and vehicle identification number for each vehicle. These records shall be open for inspection as provided in section 301.225.

3. The director of revenue shall issue a separate license for each kind of business described in this section, to be entitled and designated as either "used parts dealer"; "salvage dealer or dismantler"; "rebuilder or body shop"; or "mobile scrap processor" license.

301.227. 1. [Whenever a vehicle is sold for salvage, dismantling or rebuilding, the purchaser] **Any person or other entity acquiring or bringing into the state a salvage vehicle shall forward to the director of revenue within ten working days of the purchase or transfer, respectively, the certificate of ownership or salvage certificate of title and the proper application for title and fee of eight dollars and fifty cents [, and]. Any person owning a motor vehicle which becomes a salvage vehicle by declaration of the owner or because of damage to the vehicle, which damage is repaired by such owner, shall forward the current title to the director of revenue within ten working days of the declaration or repair, along with the proper application for title and fee of eight dollars and fifty cents. The application shall indicate the type of damage to the vehicle, whether structural, mechanical, fire or water, or whether stolen, and the component parts which are damaged.** The director shall issue a negotiable salvage certificate of title to the **owner or purchaser of the salvaged vehicle, and the salvage title shall indicate the type of damage to the vehicle.** On **salvage** vehicles not more than seven years old, it shall be mandatory that the purchaser apply for a salvage title, but on **salvage** vehicles over seven years old, application for a salvage title shall be [optional on the part of the purchaser.] **required only if the vehicle is rebuilt or is purchased or transferred for rebuilding. Whenever a salvage vehicle is rebuilt, the vehicle may be examined, titled and registered as a "prior salvage vehicle" as provided in sections 301.020 and 301.190, RSMo.**

2. 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 **working days of the sale**, with the notation of the date sold for destruction and the name of the purchaser clearly shown on the face of the certificate.

[2.] 3. 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 of a 1954 model or older who has a bill of sale for said vehicle but does not possess a certificate of ownership, provided no claim of theft has been made on the vehicle and the highway patrol has by letter

stated the vehicle is not listed as stolen after checking the registration number through its nationwide computer system. Such certificate may be granted within thirty days of the submission of a request.

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

[4.] **5.** No scrap metal operator shall acquire or purchase a motor vehicle or parts thereof without, at the time of such acquisition, receiving the original certificate of title [or], salvage certificate of title or junking certificate from the seller of the vehicle or parts, unless the seller is a licensee under sections 301.219 to 301.221.

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

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

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

[8.] **9.** [Notwithstanding the provisions of subsection 1 of this section,] An insurance company which settles a claim for a stolen **motor** vehicle shall be issued a [negotiable salvage] **stolen vehicle** certificate of title without the payment of any fee upon proper application within thirty days after settlement of the claim for such stolen vehicle. **Upon recovery of any stolen motor vehicle, the insurance company shall determine the amount of current damage and apply to the department of revenue for either a salvage certificate of title or an original certificate of title. The department of revenue shall issue the appropriate title without the payment of any fee upon proper application.**

**10. Notwithstanding the penalties provided under section 301.229, any person who knowingly fails to apply for a salvage certificate of title as required by this section shall be guilty of a class B misdemeanor. Any person who knowingly fails to apply for a salvage certificate of title a second or subsequent time as required by this section**

**shall be guilty of a class A misdemeanor.**

301.570. 1. It shall be unlawful for any person, partnership, corporation, company or association, unless the seller is a financial institution, or is selling repossessed motor vehicles or is disposing of vehicles used and titled solely in its ordinary course of business or is a collector of antique motor vehicles, to sell or display with an intent to sell seven or more motor vehicles in a calendar year, except when such motor vehicles are registered in the name of the seller, unless such person, partnership, corporation, company or association is:

(1) Licensed as a motor vehicle dealer by the department under the provisions of sections 301.550 to 301.573;

(2) Exempt from licensure as a motor vehicle dealer pursuant to subsection 4 of section 301.559;

(3) Selling commercial motor vehicles with a gross weight of at least nineteen thousand five hundred pounds, but only with respect to such commercial motor vehicles;

(4) An auctioneer, acting at the request of the owner at an auction, when such auction is not a public motor vehicle auction.

2. Any person, partnership, corporation, company or association that has reason to believe that the provisions of this section are being violated shall file a complaint with the prosecuting attorney in the county in which the violation occurred. The prosecuting attorney shall investigate the complaint and take appropriate action.

3. For the purposes of sections 301.550 to 301.573, the sale, barter, exchange, lease or rental with option to purchase of seven or more motor vehicles in a calendar year by any person, partnership, corporation, company or association, whether or not the motor vehicles are owned by them, shall be prima facie evidence of intent to make a profit or gain of money and such person, partnership, corporation, company or association shall be deemed to be acting as a motor vehicle dealer.

**4. Every seller of motor vehicles shall advertise a prior salvage or a salvage motor vehicle, as defined in section 301.010, RSMo, for sale by making a disclosure on the window as follows: "This vehicle is classified as a PRIOR SALVAGE VEHICLE or a SALVAGE MOTOR VEHICLE. You may contact the Department of Revenue for further information.**

5. Any person, partnership, corporation, company or association who violates subsection 1 of this section is guilty of a class A misdemeanor.

[5.] **6.** The provisions of this section shall not apply to liquidation of an estate.

[301.573. The department may review all title designations. Any designation described in section 301.190 or 301.227, placed on a certificate of ownership or certificate of title issued pursuant to section 301.190 or 301.227, shall remain on the certificate of ownership or title, and any and all subsequent certificates of ownership or title issued for

that vehicle shall carry such designation on the face of such certificates of ownership or title.] ✓

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