

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 2024

DATE: March 23, 2004

Version: Second Engrossment

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Subject: Titles of motor vehicles held by dealers

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Overview

This bill makes various changes dealing with certificates of title of vehicles held or sold by motor vehicle dealers.

Section

1 Registration without title. Allows the Department of Public Safety to register a vehicle if the vehicle has a Minnesota title and is being held for resale by a motor vehicle dealer.

2 Dealer applying for title. Deletes the requirement that a motor vehicle dealer who buys a vehicle for resale must procure the title from the owner.

Requires a dealer who sells a vehicle for removal from the state to remove the plates, issue a 31-day temporary certificate, and notify the state of the removal. Allows a dealer to apply for a certificate of title on a vehicle the dealer holds for resale without having to register the vehicle if the dealer pays one month's registration tax. Provides that if the dealer applies for a title on a vehicle held for resale, the Department of Public Safety may not mark the title to the effect that motor vehicle sales tax has not been paid, but may mark the title to show if the vehicle is new or used.

3 Notification. Deletes the requirement that a dealer who buys a vehicle without a title must execute a purchase receipt and notify the state that the vehicle is being held for resale.

Requires a dealer who acquires a vehicle titled and registered in Minnesota to notify the state within 48 hours of the acquisition.

4 Centralized record keeping. Allows two or more dealers under common management or

Section

control to designate to the department a single location where their vehicle title records more than a year old will be kept. Requires such a location to be open to inspection by a peace officer or the department during business hours. Requires the location to be at one of the dealer's place of business within 25 miles of the one of the other dealer locations.