State of Minnesota
HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 2362

03/13/2017 Authored by Johnson, B., and Cornish
The bill was read for the first time and referred to the Committee on Transportation and Regional Governance Policy

1.1 A bill for an act

1.2 relating to public safety; establishing an electronic scrap vehicle transaction report;
1.3 requiring a stolen vehicle inquiry; amending Minnesota Statutes 2016, section
1.4 168A.1501, subdivision 9, by adding subdivisions; repealing Minnesota Statutes
1.5 2016, section 168A.1501, subdivision 6.

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

1.7 Section 1. Minnesota Statutes 2016, section 168A.1501, is amended by adding a subdivision

1.8 to read:

1.9 Subd. 2a. **Real time motor vehicle inquiry.** The commissioner must establish or adopt

1.10 an electronic system that allows scrap vehicle operators to:

1.11 (1) submit the report identified in subdivision 2b; and

1.12 (2) complete a real time motor vehicle inquiry to verify that a motor vehicle offered to

1.13 an operator by a seller has not been reported stolen, then print the response of the inquiry.

1.14 Sec. 2. Minnesota Statutes 2016, section 168A.1501, is amended by adding a subdivision

1.15 to read:

1.16 Subd. 2b. **Reporting requirements.** (a) Within 48 hours of close of business each day,

1.17 every scrap vehicle operator must report to the commissioner any transaction that involves

1.18 a scrap vehicle. The report must be in an electronic format approved by the commissioner.

1.19 (b) The report required under paragraph (a) must include:

1.20 (1) the name, address, and contact information of the scrap vehicle operator and seller

1.21 of the motor vehicle;

2.1　　　(2) the number of any license required to buy or sell motor vehicles under this section

2.2　or, if the person is an individual, the number of a government-issued identification document;

2.3　　　(3) the vehicle's make, model, year, vehicle identification number, and, if available,

2.4　current odometer reading;

2.5　　　(4) the date of purchase by the scrap vehicle operator;

2.6　　　(5) a statement indicating whether the vehicle was or will be crushed, disposed of, or

2.7　offered for sale or other purposes; and

2.8　　　(6) a statement indicating whether the vehicle is intended to be exported out of the United

2.9　States.

2.10　　　(c) The commissioner must make the information received under paragraph (b) available

2.11　to any law enforcement agency or division of the Department of Public Safety without

2.12　charge and upon request.

2.13　　　(d) The commissioner must forward the information received under paragraph (b),

2.14　excluding personally identifiable information, to the National Motor Vehicle Title

2.15　Information System within two business days of its receipt.

2.16　　　(e) Except as otherwise provided in this section, the commissioner is prohibited from

2.17　disclosing personally identifiable information received under paragraph (b).

2.18　　Sec. 3. Minnesota Statutes 2016, section 168A.1501, is amended by adding a subdivision

2.19　to read:

2.20　　　Subd. 6a. **Stolen vehicle inquiry.** (a) Before purchasing a motor vehicle, a scrap vehicle

2.21　operator must access the electronic system under subdivision 2a to determine whether the

2.22　motor vehicle has been reported stolen.

2.23　　　(b) If the electronic system shows that the motor vehicle was reported stolen, the scrap

2.24　vehicle operator is prohibited from completing the transaction and must notify the

2.25　commissioner of (1) the motor vehicle's location, and (2) the personally identifying

2.26　information of the person attempting to transfer ownership.

2.27　　　(c) If the electronic system indicates the motor vehicle was not reported stolen, the scrap

2.28　vehicle operator may proceed with the transaction, subject to the requirements of subdivision

2.29　7, 8, or 9. A scrap vehicle operator that purchases a motor vehicle under this paragraph must

2.30　not be held criminally or civilly liable if the motor vehicle is subsequently reported stolen,

2.31　unless the scrap vehicle operator had knowledge that the motor vehicle was stolen at the

2.32　time of the transaction.

3.1   Sec. 4. Minnesota Statutes 2016, section 168A.1501, subdivision 9, is amended to read:

3.2   Subd. 9. **Vehicle without proof of ownership; vehicles for dismantling.** ~~(a)~~ If the

3.3   provisions of subdivision 7 are not met, an operator may purchase a scrap vehicle if:

3.4   (1) the operator is a used vehicle parts dealer licensed under section 168.27;

3.5   (2) the vehicle is being purchased for dismantling for its parts; and

3.6   (3) the seller:

3.7   ~~(i) agrees in writing to a sale with a seven-day hold period;~~

3.8   ~~(ii)~~ (i) provides proof of identification; and

3.9   ~~(iii)~~ (ii) signs a statement, under penalty of perjury as provided in section 609.48, attesting

3.10   that the motor vehicle is not stolen and is free of any liens or encumbrances and that the

3.11   seller has the right to sell the motor vehicle.

3.12   ~~(b) An operator purchasing a scrap vehicle under this subdivision shall:~~

3.13   ~~(1) hold the vehicle for a period of seven consecutive days, excluding Saturdays, Sundays,~~

3.14   ~~and holidays; and~~

3.15   ~~(2) not scrap, resell, dismantle, or in any way destroy the vehicle during the hold period~~

3.16   ~~under clause (1).~~

3.17   Sec. 5. **REPEALER.**

3.18   Minnesota Statutes 2016, section 168A.1501, subdivision 6, is repealed.

168A.1501 SCRAPPED, DISMANTLED, OR DESTROYED VEHICLE.

Subd. 6. **Additional reporting.** The following entities must submit information on the purchase or acquisition of a scrap vehicle to the National Motor Vehicle Title Information System, established pursuant to United States Code, title 49, section 30502, by the close of business the following day:

    (1) an operator who is not licensed under section 168.27; and

    (2) an operator who purchases a scrap vehicle under subdivision 9.