

SECOND REGULAR SESSION

HOUSE BILL NO. 2660

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BROMLEY.

5700H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 301.192, 301.280, 407.526, and 407.556, RSMo, and to enact in lieu thereof four new sections relating to mileage disclosure requirements, with penalty provisions.

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

Section A. Sections 301.192, 301.280, 407.526, and 407.556, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 301.192, 301.280, 407.526, and 407.556, to read as follows:

301.192. 1. In addition to any other requirements of section 301.190, when application is made for a certificate of ownership for a motor vehicle or trailer seven years old or older and the value of vehicle does not exceed three thousand dollars, for which no record of any prior application for a certificate of ownership exists in the records of the director of revenue or for which the records of the director of revenue reflect incomplete or conflicting documentation of ownership, the director of revenue may issue a certificate of ownership, not less than thirty days after receiving the completed application, provided it is accompanied by:

(1) An affidavit explaining how the motor vehicle or trailer was acquired and the reasons a valid certificate of ownership cannot be furnished;

(2) Presentation of all evidence of ownership in the applicant's possession;

(3) Title verification from a state in which the vehicle was previously titled or registered if known, provided the vehicle was so previously titled or registered;

(4) A notarized lien release from any lienholder of record;

(5) 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 the vehicle's identification number and a determination that the

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 vehicle has not been reported stolen in Missouri or any other state. The fee for the vehicle
18 examination certificate shall be twenty-five dollars and shall be collected by the director of
19 revenue at the time of the request for the application;

20 (6) A statement certifying the odometer reading of the motor vehicle if less than [~~ten~~]
21 **twenty** years of age; and

22 (7) A surety bond or a suitable financial security instrument in a form prescribed by the
23 director of revenue and executed by the applicant and a person authorized to conduct surety
24 business in this state. The bond shall be an amount equal to two times the value of the vehicle
25 as determined by the Kelly Blue Book, NADA Used Car Guide or two appraisals from a licensed
26 motor vehicle dealer. The bond shall be for a minimum of one hundred dollars and conditioned
27 to indemnify any prior owner or lienholder and any subsequent purchaser of the vehicle or person
28 acquiring any security interest in it, and their respective successors in interest, against any
29 expense, loss or damage including reasonable attorneys fees, by reason of the issuance of the
30 certificate of ownership of the vehicle or on account of any defect in or undisclosed security
31 interest upon the right, title and interest of the applicant in and to the vehicle. Any such
32 interested person has a right of action to recover on the bond for any breach of its conditions, but
33 the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The
34 bond shall be returned at the end of three years, unless the department has been notified of the
35 pendency of an action to recover on the bond.

36 2. Upon satisfaction with the genuineness of the application and supporting documents,
37 the director of revenue shall issue a new certificate of ownership. The certificate of ownership
38 shall appropriately be designated with the words "BONDED VEHICLE".

301.280. 1. Every motor vehicle dealer and boat dealer shall make a monthly report to
2 the department of revenue, on blanks to be prescribed by the department of revenue, giving the
3 following information: date of the sale of each motor vehicle, boat, trailer and all-terrain vehicle
4 sold; the name and address of the buyer; the name of the manufacturer; year of manufacture;
5 model of vehicle; vehicle identification number; style of vehicle; odometer setting; and it shall
6 also state whether the motor vehicle, boat, trailer or all-terrain vehicle is new or secondhand.
7 Each monthly sales report filed by a motor vehicle dealer who collects sales tax under subsection
8 10 of section 144.070 shall also include the amount of state and local sales tax collected for each
9 motor vehicle sold if sales tax was due. The odometer reading is not required when reporting
10 the sale of any motor vehicle that is [~~ten~~] **twenty** years old or older, any motor vehicle having
11 a gross vehicle weight rating of more than sixteen thousand pounds, new vehicles that are
12 transferred on a manufacturer's statement of origin between one franchised motor vehicle dealer
13 and another, or boats, all-terrain vehicles or trailers. The sale of all temporary permits shall be
14 recorded in the appropriate space on the dealer's monthly sales report, unless the sale of the

15 temporary permit is already recorded by electronic means as determined by the department. The
16 monthly sales report shall be completed in full and signed by an officer, partner, or owner of the
17 dealership, and actually received by the department of revenue on or before the fifteenth day of
18 the month succeeding the month for which the sales are being reported. If no sales occur in any
19 given month, a report shall be submitted for that month indicating no sales. Any vehicle dealer
20 who fails to file a monthly report or who fails to file a timely report shall be subject to
21 disciplinary action as prescribed in section 301.562 or a penalty assessed by the director not to
22 exceed three hundred dollars per violation. Every motor vehicle and boat dealer shall retain
23 copies of the monthly sales report as part of the records to be maintained at the dealership
24 location and shall hold them available for inspection by appropriate law enforcement officials
25 and officials of the department of revenue. Every vehicle dealer selling twenty or more vehicles
26 a month shall file the monthly sales report with the department in an electronic format. Any
27 dealer filing a monthly sales report in an electronic format shall be exempt from filing the notice
28 of transfer required by section 301.196. For any dealer not filing electronically, the notice of
29 transfer required by section 301.196 shall be submitted with the monthly sales report as
30 prescribed by the director.

31 2. Every dealer and every person operating a public garage shall keep a correct record
32 of the vehicle identification number, odometer setting, manufacturer's name of all motor vehicles
33 or trailers accepted by him for the purpose of sale, rental, storage, repair or repainting, together
34 with the name and address of the person delivering such motor vehicle or trailer to the dealer or
35 public garage keeper, and the person delivering such motor vehicle or trailer shall record such
36 information in a file kept by the dealer or garage keeper. The record shall be kept for five years
37 and be open for inspection by law enforcement officials, members or authorized or designated
38 employees of the Missouri highway patrol, and persons, agencies and officials designated by the
39 director of revenue.

40 3. Every dealer and every person operating a public garage in which a motor vehicle
41 remains unclaimed for a period of fifteen days shall, within five days after the expiration of that
42 period, report the motor vehicle as unclaimed to the director of revenue. Such report shall be on
43 a form prescribed by the director of revenue. A motor vehicle left by its owner whose name and
44 address are known to the dealer or his employee or person operating a public garage or his
45 employee is not considered unclaimed. Any dealer or person operating a public garage who fails
46 to report a motor vehicle as unclaimed as herein required forfeits all claims and liens for its
47 garaging, parking or storing.

48 4. The director of revenue shall maintain appropriately indexed cumulative records of
49 unclaimed vehicles reported to the director. Such records shall be kept open to public inspection
50 during reasonable business hours.

51 5. The alteration or obliteration of the vehicle identification number on any such motor
52 vehicle shall be prima facie evidence of larceny, and the dealer or person operating such public
53 garage shall upon the discovery of such obliteration or alteration immediately notify the highway
54 patrol, sheriff, marshal, constable or chief of police of the municipality where the dealer or
55 garage keeper has his place of business, and shall hold such motor vehicle or trailer for a period
56 of forty-eight hours for the purpose of an investigation by the officer so notified.

57 6. Any person who knowingly makes a false statement or omission of a material fact in
58 a monthly sales report to the department of revenue, as described in subsection 1 of this section,
59 shall be deemed guilty of a class A misdemeanor.

 407.526. 1. A person commits the crime of odometer fraud in the third degree if, with
2 the intent to defraud, he operates a motor vehicle less than ~~ten~~ **twenty** years old on any street
3 or highway knowing that the odometer of the motor vehicle is disconnected or not functioning.

4 2. Odometer fraud in the third degree is a class C misdemeanor.

 407.556. 1. A violation of the provisions of sections 407.511 to 407.556 by any person
2 licensed or registered as a manufacturer or dealer pursuant to the provisions of chapter 301, shall
3 be considered a violation of the provisions of that chapter, subjecting that person to revocation
4 or suspension of any license issued pursuant to the provisions of that chapter.

5 2. The provisions of sections 407.511 to 407.556 do not apply to the following motor
6 vehicles:

7 (1) Any motor vehicle having a gross vehicle weight rating of more than sixteen
8 thousand pounds;

9 (2) Any motor vehicle that is ~~ten~~ **twenty** years old or older;

10 (3) Any motor vehicle sold directly by the manufacturer to any agency of the United
11 States in conformity with contractual specifications; or

12 (4) Any new vehicle prior to its first transfer for purposes other than resale.

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