

File Number: H.F. 3463

Date: March 29, 2018

Version: Third engrossment

Authors: Petersburg and others

Subject: Motor vehicle dealers and deputy registrars

Analyst: Matt Burress (matt.burress@house.mn)

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd/.

Overview

This bill contains various motor vehicle provisions that relate to vehicle dealers and deputy registrars. It would go into effect August 1, 2018.

Section

- 1 Unfair practices by manufacturers, distributors, factory branches.** Prohibits motor vehicle manufacturers and distributors from charging back or withholding payment to a vehicle dealer due to unreasonable Department of Public Safety delays in vehicle registration or transfer. The dealer must give the manufacturer written notice, documentation, and an attestation regarding the delay. This provision expires June 30, 2021.
- 2 Passenger automobile; hearse.** Authorizes a vehicle dealer to determine the value of a motor vehicle as used for registration tax calculation, based on the manufacturer's suggested retail price. Requires retention of the label or price documentation.
- 3 Listing by dealers.** Permits vehicle dealers to withhold payment on registration tax already due for vehicles that the dealer holds for sale or demonstration, without a lien going onto the vehicle for nonpayment of the tax.
- 4 Multiple licenses.** Allows a company that holds multiple types of dealer licenses (for instance, as a new motor vehicle dealer and as a used motor vehicle dealer) to hold and sell vehicles across its dealership locations without needing to transfer title or ownership.
- 5 Designated dealer title and registration liaison.** Directs the Department of Public Safety to designate a liaison for vehicle dealers.
- 6 Late fee.** Eliminates a \$2 late fee for title transfers from vehicle dealers.

Section

- 7 Electronic transmission.** Directs the Department of Public Safety to allow for vehicle dealers to use third-party software that can electronically submit title transfers and vehicle registrations to the department.
- 8 Vehicle registration data; federal compliance.** Prevents the Department of Public Safety from restricting the sharing of motor vehicle data under some specified situations in which it is permitted to be shared under federal law. The ban on restricting data disclosure includes using data in connection to motor vehicle safety, product alterations, performance monitoring, or motor vehicle market research; verifying accuracy of personal information; notifying towed or impounded vehicle owners; and if the subject of the data has provided consent.
- 9 Issuance of certificate by deputy registrar.** Permits deputy registrars to issue certificates of title, and directs the Department of Public Safety to authorize it by August 1, 2019.
- 10 Owner's interest terminated or vehicle sold by secured party.** Broadens a provision on procedures for changing vehicle ownership due to actions taken by a secured party (i.e., a lender or other party that holds legal rights over the vehicle), to provide for assignees of a secured party.
- 11 Notice of perfection by dealer.** Authorizes vehicle dealers to provide a statement to secured parties for a vehicle (such as lenders) that title application with the security interest was properly provided to the Department of Public Safety.
- 12 Motor vehicle title transfer and registration advisory committee.** Creates a Motor Vehicle Title Transfer and Registration Advisory Committee for the Department of Public Safety.

Subd. 1. Establishment; purposes. Creates the advisory committee and outlines its advisory scope.

Subd. 2. Members. Identifies membership on the committee, including four legislators and representatives from dealers and deputy registrars. Provides for member compensation.

Subd. 3. Organization. Provides for convening the committee, requires election of a committee chair, and directs the committee to meet at least twice annually.

Subd. 4. Open meetings. Makes the committee subject to open meeting law. Addresses committee meeting locations and enforcement of open meeting requirements.

Subd. 5. Staff. Directs department staff to support the committee.

Subd. 6. Duties. Identifies committee duties, including advising the department leadership and making recommendations on policy and planning.

Subd. 7. Report and recommendations. Requires an annual legislative report on activities of the committee. The first report is due by February 15, 2019.

Subd. 8. Expiration. Makes the committee expires June 30, 2021.