

By: Representative Turner

To: Ways and Means

HOUSE BILL NO. 778

1 AN ACT TO AMEND SECTION 63-21-39, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE REQUIREMENTS FOR TRANSFERRING A MOTOR VEHICLE TO BE
3 SCRAPPED, DISMANTLED OR DESTROYED WHEN THE OWNER OR AUTHORIZED
4 AGENT OF THE OWNER DOES NOT HAVE THE MOTOR VEHICLE TITLED IN HIS
5 OR HER NAME; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 63-21-39, Mississippi Code of 1972, is
8 amended as follows:

9 63-21-39. (1) (a) An owner who scraps, dismantles or
10 destroys a vehicle and a person who purchases a vehicle as scrap
11 or to be dismantled or destroyed shall indicate same on the back
12 of the certificate of title and shall immediately cause the
13 certificate of title and any other documents required by the
14 Department of Revenue to be mailed or delivered to the Department
15 of Revenue for cancellation. A certificate of title of the
16 vehicle shall not again be issued except upon application
17 containing the information the Department of Revenue requires,
18 accompanied by a certificate of inspection in the form and content



specified in Section 63-21-15(5) and proof of payment of a fee as provided in subsection (2) of this section.

(b) Notwithstanding any other provision of this chapter to the contrary, if the owner or authorized agent of the owner has not obtained a title in his or her name for the vehicle to be transferred, has lost the title for the vehicle to be transferred, or has returned the title to the Department of Revenue in accordance with * * * paragraph (a) of this subsection, he or she may sign a statement swearing that, in addition to the foregoing conditions, the vehicle is at least * * * twenty (20) model years old and has not been registered for at least the previous three (3) years. The statement described in this paragraph may be used only to transfer such a vehicle to a licensed used motor vehicle parts dealer or scrap metal processor. The department shall promulgate a form for the statement which shall include, but not be limited to:

(i) A statement that the vehicle shall never be titled again; it must be dismantled or scrapped;

(ii) A description of the vehicle including the year, make, model and vehicle identification number;

(iii) The name, address, and driver's license number of the owner;

(iv) A certification that the owner:

1. Never obtained a title to the vehicle in his or her name; or



2. Was issued a title for the vehicle, but
the title was lost or stolen;

(v) A certification that the vehicle:

1. Is at least * * * twenty (20) model years
old and has not been registered for at least the previous three
(3) years; and

2. Is not subject to any security interest or
lien;

(vi) An acknowledgment that the owner and buyer of
the vehicle realizes this form will be filed with the department
and that:

1. It is a misdemeanor, punishable by a fine
of not more than One Thousand Dollars (\$1,000.00) or imprisonment
for not more than six (6) months, or both, for conviction of a
first offense of knowingly falsifying any information on this
statement; and

2. It is a felony, punishable by a fine of
not less than One Thousand Dollars (\$1,000.00) nor more than Five
Thousand Dollars (\$5,000.00) or imprisonment for not less than one
(1) year nor more than five (5) years, or both, for conviction of
a second or subsequent offense of knowingly falsifying any
information on this statement;

(vii) The owner's signature and the date of the
transaction;



68 (viii) The name and address of the business
69 acquiring the vehicle;

70 (ix) The National Motor Vehicle Title Information
71 System identification number; and

72 (x) The business agent's signature and date along
73 with a printed name and title if the agent is signing on behalf of
74 a corporation.

75 (c) Until such time as the department makes available
76 an Internet-based system, the used motor vehicle parts dealer or
77 scrap metal processor shall mail or otherwise deliver the
78 statement required under paragraph (b) of this subsection (1) to
79 the Department of Revenue within three (3) business days of the
80 completion of the transaction, requesting that the department
81 cancel the Mississippi certificate of title and registration.
82 Once the department develops an Internet-based system, the used
83 motor vehicle parts dealer or scrap metal processor shall utilize
84 such system and within two (2) business days electronically submit
85 the information contained in the statement using that system.

86 (d) Within two (2) business days of each day's close of
87 business, the used motor vehicle parts dealer or scrap metal
88 processor who purchases or receives motor vehicles for scrap or
89 for parts shall deliver in a format approved by the department, by
90 electronic means once developed and made available by the
91 department, a list of all such vehicles purchased that day for



scrap or for parts. That list shall contain the following information:

(i) The name, address and contact information for the reporting entity;

(ii) The vehicle identification numbers of such vehicles;

(iii) The dates such vehicles were obtained;

(iv) The names of the individuals or entities from whom the vehicles were obtained, for use by law enforcement personnel and appropriate governmental agencies only;

(v) A statement of whether the vehicles were, or will be, crushed or disposed of, or offered for sale or other purposes;

(vi) A statement of whether the vehicle is intended for export out of the United States; and

(vii) The National Motor Vehicle Title Information System identification number of the business acquiring the vehicle.

(e) (i) For purposes of this subsection, the term "motor vehicle" shall not include a vehicle which has been crushed or flattened by mechanical means such that it is no longer the motor vehicle as described by the certificate of title, or such that the vehicle identification number is no longer visible or accessible.



(ii) In cases in which crushed or flattened vehicles are purchased or received, the purchasing or receiving used motor vehicle parts dealer or scrap metal processor shall verify that the seller has reported the vehicles in accordance with this subsection. Such verification may be in the form of a certification from the seller or a contract between the seller and the purchasing or receiving used motor vehicle parts dealer or scrap metal processor attesting to the seller's compliance with the reporting requirements of this subsection. Such verification must clearly identify the seller by a government issued photograph identification card or employer identification number, and the verification and copy of the identification card or number shall be maintained by the purchasing or receiving used motor vehicle parts dealer or scrap metal processor for a period of not less than two (2) years.

(f) The information obtained by the department in accordance with paragraph (d) of this subsection (1) shall be reported to the National Motor Vehicle Title Information System, in a format that will satisfy the requirement for reporting this information, in accordance with rules adopted by the United States Department of Justice in 28 C.F.R. 25.56.

(g) Until such time as the department develops and makes available the Internet-based system described in paragraph (d) of this subsection, the used motor vehicle parts dealer or scrap metal processor who purchases or receives motor vehicles for



141 scrap or for parts shall deliver the information required by
142 paragraph (d) to the National Motor Vehicle Title Information
143 System through any data consolidator approved by such system,
144 within forty-eight (48) hours of the day the vehicle was purchased
145 or acquired by such used motor vehicle parts dealer or scrap metal
146 processor which shall satisfy the requirements of paragraph (d).

147 (h) The information obtained by the department in
148 accordance with paragraph (d) of this subsection (1) shall be made
149 available only to law enforcement agencies and for purposes of
150 canceling certificates of title. The information shall otherwise
151 be considered to be confidential business information of the
152 respective reporting entities.

153 (i) All records required under the provisions of this
154 subsection shall be maintained for a period of two (2) years by
155 the reporting entity and shall include a scanned or photocopied
156 copy of the seller's or seller's representative's driver's license
157 or state-issued identification card.

158 (j) A person who knowingly and willfully violates this
159 subsection (1), or any person who knowingly and willfully
160 falsifies or assists another person in falsifying the statement or
161 information required under * * * paragraph (b) or (d) of this
162 subsection, or any person who knowingly and willfully sells a
163 vehicle upon which there is an unsatisfied lien or security
164 interest, or who purchases a vehicle without complying with
165 either * * * paragraph (a) or (b) of this subsection and who



166 knowingly and willfully destroys or dismantles a vehicle upon
167 which he knows that there is an unsatisfied lien or security
168 interest shall:

169 (i) Be guilty of a misdemeanor, punishable by a
170 fine not more than One Thousand Dollars (\$1,000.00) or
171 imprisonment for not more than six (6) months, or both, for
172 conviction of a first offense; or

173 (ii) Upon conviction of a second or subsequent
174 offense, a felony, punishable by imprisonment for not less than
175 one (1) year nor more than five (5) years or a fine of not less
176 than One Thousand Dollars (\$1,000.00) nor more than Five Thousand
177 Dollars (\$5,000.00), or both.

178 In addition, the court may order each person convicted to pay
179 restitution to any party suffering monetary loss in the amount of
180 such loss. No part of any sentence imposed by the court shall be
181 suspended unless such restitution has been paid in full.

182 (k) A person who knowingly and willfully fails to
183 deliver the title as required under paragraph (a) of this
184 subsection, or the statement required under paragraph (b) of this
185 subsection to the Department of Revenue within seventy-two (72)
186 hours of the completion of the transaction, or who, until such
187 time as the department develops and makes available the
188 Internet-based system described in paragraph (d), fails to deliver
189 the information required by paragraph (d) to the National Motor
190 Vehicle Title Information System through any data consolidator



191 approved by such system, within two (2) business days of the day
192 the vehicle was purchased or acquired by such used motor vehicle
193 parts dealer or scrap metal processor shall be in violation of
194 this section, and subject to a civil penalty of up to One Thousand
195 Dollars (\$1,000.00) per violation. Actions to impose this penalty
196 may be brought by any local or state law enforcement agency,
197 district attorney, or by the Attorney General, in any court of
198 competent jurisdiction. One-half (1/2) of the monies generated
199 from such civil penalties shall be deposited in a special fund
200 created in the State Treasury for use by the Department of
201 Revenue's Title Bureau, and one-half (1/2) of the monies generated
202 from such civil penalties shall be deposited in the general fund
203 of the municipality if the suit was brought in a municipal court,
204 or in the general fund of the county if the suit was brought in
205 the court of a county.

206 (2) For the purpose of requesting a branded title on a
207 vehicle with a salvage certificate of title, every owner of a
208 vehicle that has been issued a salvage certificate of title in
209 this state or any other state which has been restored in this
210 state to its operating condition which existed prior to the event
211 which caused the salvage certificate of title to be issued shall
212 make application to the Department of Revenue, accompanied by a
213 certificate of inspection issued by the Department of Public
214 Safety in the form and content specified in Section 63-21-15(5)
215 and the payment of a fee of Seventy-five Dollars (\$75.00) for each



motor vehicle for which a certificate of inspection is issued. In addition, the Department of Public Safety may charge such a person a fee in the amount of Twenty-five Dollars (\$25.00) for performing any vehicle identification number verification required by federal law or regulation for the vehicle for which the person is applying for a title. All such monies shall be collected by the Department of Public Safety and paid to the State Treasurer for deposit in a special fund that is hereby created in the State Treasury to be known as the "Salvage Certificate of Title Fund." Monies in the special fund may be expended by the Department of Public Safety, upon appropriation by the Legislature. The Department of Revenue shall establish by regulation the minimum requirements by which a vehicle which has been issued a salvage certificate of title may be issued a branded title.

(3) Before a branded title may be issued for a vehicle for which a salvage certificate of title has been issued, the applicant shall submit, by hand delivery or mail, such documents and information to the Department of Public Safety as the department may require for the purpose of determining if the vehicle complies with the requirements of this section and all applicable regulations promulgated by the Commissioner of Public Safety and the Department of Revenue. The Department of Public Safety also may require that an applicant bring a vehicle for which application for a branded title is being made to a Highway Patrol facility for a visual inspection whenever the department



241 deems that a visual inspection is necessary or advisable. Nothing
242 in this section shall be construed to prohibit inspectors of the
243 Mississippi Highway Patrol from conducting on-site inspections and
244 investigations of motor vehicle rebuilders or motor vehicle repair
245 businesses to determine if such businesses are in compliance with
246 all applicable laws relating to the motor vehicle title laws of
247 this state and regulations promulgated by the Commissioner of
248 Public Safety and the Department of Revenue.

249 **SECTION 2.** This act shall take effect and be in force from
250 and after July 1, 2021.

