

By: Representative Newman

To: Ways and Means

HOUSE BILL NO. 41

1 AN ACT TO AMEND SECTION 63-21-23, MISSISSIPPI CODE OF 1972,
 2 TO REMOVE THE REQUIREMENT FOR AN APPLICANT OR DEALER THAT IS
 3 SEEKING ISSUANCE OF A CERTIFICATE OF TITLE FOR A VEHICLE TO FILE A
 4 BOND OR DEPOSIT OF CASH WITH THE DEPARTMENT OF REVENUE AS A
 5 CONDITION OF ISSUING A CERTIFICATE OF TITLE IF THE VEHICLE IS
 6 CONSIDERED ABANDONED AND UNCLAIMED; TO SPECIFY THE REQUIREMENTS
 7 FOR AN ABANDONED VEHICLE TO BE UNCLAIMED; AND FOR RELATED
 8 PURPOSES.

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

10 **SECTION 1.** Section 63-21-23, Mississippi Code of 1972, is
 11 amended as follows:

12 63-21-23. If the * * * Department of Revenue is not
 13 satisfied as to the ownership of the vehicle, manufactured home or
 14 mobile home or that there are no undisclosed security interests in
 15 it, the * * * department may accept the application but shall
 16 either:

17 (a) Withhold issuance of a certificate of title until
 18 the applicant presents documents reasonably sufficient to satisfy
 19 the * * * department as to the applicant's ownership of the
 20 vehicle, manufactured home or mobile home and that there are no
 21 undisclosed security interests in it; or



22 (b) (i) Except as otherwise provided in this
23 subsection (b), as a condition of issuing a certificate of title,
24 require the applicant or dealer to file with the * * * department
25 a bond in the form prescribed by the * * * department and executed
26 by the applicant or dealer and by a person authorized to conduct a
27 surety business in this state, or require the application to be
28 accompanied by the deposit of cash with the * * * department. The
29 bond or cash shall be in an amount equal to one and one-half
30 (1-1/2) times the value of the vehicle, manufactured home or
31 mobile home as determined by the * * * department and conditioned
32 to indemnify any prior owner and lienholder and any subsequent
33 purchaser of the vehicle, manufactured home or mobile home or
34 person acquiring any security interest in it, and their respective
35 successors in interest, against any expense, loss or damage,
36 including reasonable attorney's fees, by reason of the issuance of
37 the certificates of title of the vehicle, manufactured home or
38 mobile home or on account of any defect in or undisclosed security
39 interest upon the right, title and interest of the applicant in
40 and to the vehicle, manufactured home or mobile home. Any such
41 interested person has a right of action to recover on the bond or
42 cash for any breach of its conditions, but the aggregate liability
43 of the surety to all persons shall not exceed the amount of the
44 bond or cash. The bond or cash shall be returned at the end of
45 three (3) years unless the * * * department has been notified of
46 the pendency of an action to recover on the bond or cash or that



47 the vehicle, manufactured home or mobile home does not belong to
48 the registered owner or that it is encumbered by an undisclosed
49 lien.

50 (ii) However, the department shall not require the
51 applicant or dealer to file a bond or deposit of cash as a
52 condition of issuing a certificate of title if the vehicle is an
53 abandoned vehicle as defined in Section 63-23-3 and is unclaimed.
54 For purposes of this subparagraph (ii), an abandoned vehicle is
55 unclaimed if the owner or lienholder of record has not claimed
56 ownership or title within ten (10) years from the date the notice
57 was sent to the owner or lienholder of record as provided in
58 Section 63-23-9, or if no owner or lienholder of record could be
59 determined, ownership or title has not been claimed within ten
60 (10) years.

61 **SECTION 2.** This act shall take effect and be in force from
62 and after July 1, 2022.

