

By: Representative Lamar

To: Ways and Means

HOUSE BILL NO. 1170

1 AN ACT TO AMEND SECTION 63-21-16, MISSISSIPPI CODE OF 1972,
 2 TO AUTHORIZE THE DEPARTMENT OF REVENUE TO ISSUE ELECTRONIC LIENS
 3 AND TITLES FOR MOTOR VEHICLES AND MANUFACTURED HOMES; TO BRING
 4 FORWARD SECTION 63-21-15, MISSISSIPPI CODE OF 1972, WHICH RELATES
 5 TO THE APPLICATION FOR THE CERTIFICATE OF TITLE OF A MOTOR VEHICLE
 6 OR MANUFACTURED HOME, FOR PURPOSES OF POSSIBLE AMENDMENT; TO BRING
 7 FORWARD SECTION 63-21-45, MISSISSIPPI CODE OF 1972, WHICH RELATES
 8 TO SECURITY INTERESTS IN MOTOR VEHICLES AND MANUFACTURED HOMES,
 9 FOR PURPOSES OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 63-21-16, Mississippi Code of 1972, is
 12 amended as follows:

13 63-21-16. (1) All designated agents appointed by the
 14 Department of Revenue under Section 63-21-13, Mississippi Code of
 15 1972, may electronically transmit to the Department of Revenue
 16 information entered by them on applications for a certificate of
 17 title given in connection with the sale or transfer of a motor
 18 vehicle, manufactured home or mobile home or a loan for which the
 19 owner's motor vehicle, manufactured home or mobile home is pledged
 20 to that institution as collateral for the loan. The format and
 21 the data required to be transmitted shall be established by the



22 Department of Revenue. Transmission of data shall meet minimum
23 criteria and edits established by the Department of Revenue equal
24 to any edit presently existing in the statewide title registration
25 system, or as may be established, to which the county tax
26 collectors shall also conform. All data transmitted must
27 successfully pass edits established by the Department of Revenue,
28 including lienholder name, mailing address and lienholder account
29 number assigned to a lienholder by the Department of Revenue to
30 identify the lienholder, for the purpose of causing the data to
31 appear in the certificate of title for which the application is
32 made.

33 (2) It shall be the responsibility of the designated agent
34 to verify all data before it is electronically transmitted. It
35 shall also be the responsibility of the designated agent to ensure
36 that the required certification of designated agent and the
37 certification of statement of facts that are contained on the
38 application for certificate of title appear above the signatures
39 of both the owner and the authorized representative of the
40 designated agent. Data which cannot be transmitted because of
41 error shall be corrected by the designated agent when the
42 statewide title registration system indicates that the data is
43 erroneous or is not valid for the purposes of titling the motor
44 vehicle, manufactured home or mobile home or for transfer of the
45 data.



46 (3) When an institution has agreed to loan money for the
47 purchase of a motor vehicle, manufactured home or mobile home, the
48 institution shall complete an application for certificate of title
49 or require the borrower to provide to the institution the copy of
50 the application for certificate of title contained in the
51 application packet which is designated "Lienholder's Copy"
52 according to provisions of the Motor Vehicle and Manufactured
53 Housing Title Law, which the owner will receive from the county
54 tax collector or any designated agent upon completion of the
55 application for title and registration process.

56 (4) An application for certificate of title originating from
57 a designated agent shall be entered on the statewide title
58 registration system by the originating lending institution when
59 the transaction is for the purpose of perfecting the institution's
60 interest in a vehicle, manufactured home or mobile home currently
61 owned or purchased by the applicant, in connection with
62 application for certificate of title or the purchase of a license
63 tag or both.

64 (5) When an institution in this state adds a second lien on
65 a certificate of title in possession of a first lienholder
66 institution in this state, the second lienholder institution
67 seeking to be shown on the certificate of title shall:

68 (a) Prepare the application for certificate of title in
69 accordance with the requirements of Sections 63-21-15 and
70 63-21-45(1)(c);



71 (b) Obtain all required signatures; and
72 (c) Forward the completed application for certificate
73 of title to the first lienholder together with any necessary
74 remittance advice, a check for the title fee payable to the
75 Department of Revenue and a cover letter to the first lienholder
76 requesting that the first lienholder attach the certificate of
77 title to the required documents sent by the second lienholder and
78 then forward the application, certificate of title and required
79 documents to the Department of Revenue.

80 (6) Upon receipt of the application for certificate of title
81 from the second lienholder institution to record the second lien,
82 the first lienholder institution shall compare the data contained
83 in the application for certificate of title to the information
84 contained in the original certificate of title. If the first
85 lienholder institution is satisfied as to the ownership, accuracy
86 and order of priority of liens as shown in the application, it
87 shall enter the data contained on the application for certificate
88 of title prepared by the second lienholder on the statewide title
89 registration system, including the designated agent number of the
90 second lienholder. After entering the data from the application
91 for certificate of title, the first lienholder institution shall
92 immediately forward the application for certificate of title with
93 the certificate of title attached to the application, the
94 remittance advice and the second lienholder's check for the title
95 fee to the Department of Revenue within three (3) working days.



96 (7) In an assignment of lien pursuant to Section 63-21-47,
97 the assignee shall receive the notice of assignment along with the
98 current title attached and with the assignors interest open. The
99 assignee lienholder shall prepare an application for certificate
100 of title according to the notice of assignment, showing the
101 assignee institution as the lienholder, and then shall
102 electronically transmit the data to the Department of Revenue.
103 The completed application shall be forwarded to the Department of
104 Revenue within three (3) working days.

105 (8) The Department of Revenue, upon receipt of applications
106 for certificate of title, shall verify the data by accessing it on
107 the statewide title registration system by the title application
108 control number appearing on the application for title. After
109 receiving verification that is satisfactory to the Department of
110 Revenue that the data necessary for the issuance of a new
111 certificate of title exists, the Department of Revenue shall issue
112 a new certificate of title that records the interests of all the
113 parties named in the application for certificate of title.

114 (9) Designated agents shall be connected to the statewide
115 title registration system for the purpose of electronic transfer
116 of applications for certificate of title data in the order of
117 priority established by the Department of Revenue.

118 (10) If a participating designated agent fails to comply
119 with the provisions of this section or the rules adopted by the
120 Department of Revenue to implement this section, the Department of



121 Revenue may impose a penalty of Twenty-five Dollars (\$25.00) for
122 each instance of noncompliance. Any penalty imposed under this
123 section not paid within thirty (30) days after a notice is given
124 shall be subject to collection from the bond of the designated
125 agent that is required to be provided under the provisions of
126 Section 63-21-13(3). The penalty provided shall also be
127 assessable, due and collectible from any licensed motor vehicle
128 dealer or manufactured home or mobile home dealer for failure to
129 accept an application for certificate of title for each and every
130 vehicle, manufactured home or mobile home he sells to a consumer.
131 These penalties shall be cumulative, supplemental and in addition
132 to the penalties provided by any other law.

133 (11) This section shall apply to all designated agents
134 appointed by the Department of Revenue under Section 63-21-13,
135 that choose to electronically transmit information on applications
136 for certificates of title to the Department of Revenue. This
137 section shall not apply to other designated agents.

138 (12) Notwithstanding the foregoing, the Department of
139 Revenue shall not issue a certificate of title to a manufactured
140 home or mobile home with respect to which title has been retired
141 to real property under Section 63-21-30 unless with respect to the
142 same manufactured home or mobile home title has been severed from
143 real property pursuant to Section 63-21-30.

144 (13) Notwithstanding any requirement in this chapter that a
145 lien on a motor vehicle or manufactured home shall be noted on the



146 face of the certificate of title, if there are one or more liens
147 or encumbrances on the motor vehicle or manufactured home, the
148 Department of Revenue may electronically transmit the lien to the
149 first lienholder and notify the first lienholder of any additional
150 liens. Subsequent lien satisfactions may be electronically
151 transmitted to the Department of Revenue and shall include the
152 name and address of the person satisfying the lien. When
153 electronic transmission of liens and lien satisfactions is used, a
154 certificate of title need not be issued until the last lien is
155 satisfied and a clear certificate of title is issued to the owner
156 of the motor vehicle or manufactured home. When a motor vehicle
157 is subject to an electronic lien, the certificate of title for the
158 motor vehicle shall be considered to be physically held by the
159 lienholder for purposes of compliance with state or federal
160 odometer disclosure requirements. A duly certified copy of the
161 Department of Revenue's electronic record of the lien shall be
162 admissible in any civil, criminal, or administrative proceeding in
163 this state as evidence of the existence of the lien.

164 **SECTION 2.** Section 63-21-15, Mississippi Code of 1972, is
165 brought forward as follows:

166 63-21-15. (1) The application for the certificate of title
167 of a vehicle, manufactured home or mobile home in this state shall
168 be made by the owner to a designated agent, on the form the
169 Department of Revenue prescribes, and shall contain or be
170 accompanied by the following, if applicable:



171 (a) The name, driver's license number, if the owner has
172 been issued a driver's license, current residence and mailing
173 address of the owner;

174 (b) (i) If a vehicle, a description of the vehicle,
175 including the following data: year, make, model, vehicle
176 identification number, type of body, the number of cylinders,
177 odometer reading at the time of application, and whether new or
178 used; and

179 (ii) If a manufactured home or mobile home, a
180 description of the manufactured home or mobile home, including the
181 following data: year, make, model number, serial number and
182 whether new or used;

183 (c) The date of purchase by applicant, the name and
184 address of the person from whom the vehicle, manufactured home or
185 mobile home was acquired, and the names and addresses of any
186 lienholders in the order of their priority and the dates of their
187 security agreements;

188 (d) In connection with the transfer of ownership of a
189 manufactured home or mobile home sold by a sheriff's bill of sale,
190 a copy of the sheriff's bill of sale;

191 (e) (i) An odometer disclosure statement made by the
192 transferor of a motor vehicle. The statement shall read:

193 "Federal and state law requires that you state the mileage in
194 connection with the transfer of ownership. Failure to complete or



195 providing a false statement may result in fine and/or
196 imprisonment.

197 I state that the odometer now reads _____ (no tenths)
198 miles and to the best of my knowledge that it reflects the actual
199 mileage of the vehicle described herein, unless one (1) of the
200 following statements is checked:

201 _____ (1) I hereby certify that to the best of my knowledge
202 the odometer reading reflects the amount of mileage in excess of
203 its mechanical limits.

204 _____ (2) I hereby certify that the odometer reading is not
205 the actual mileage. WARNING-ODOMETER DISCREPANCY!"

206 (ii) In connection with the transfer of ownership
207 of a motor vehicle, each transferor shall disclose the mileage to
208 the transferee in writing on the title or on the document being
209 used to reassign the title, which form shall be prescribed and
210 furnished by the Department of Revenue. This written disclosure
211 must be signed by the transferor and transferee, including the
212 printed name of both parties.

213 Notwithstanding the requirements above, the following
214 exemptions as to odometer disclosure shall be in effect:

215 1. A vehicle having a gross vehicle weight
216 rating of more than sixteen thousand (16,000) pounds.

217 2. A vehicle that is not self-propelled.

218 3. A vehicle that is twenty (20) years old or
219 older.



220 4. A vehicle sold directly by the
221 manufacturer to any agency of the United States in conformity with
222 contractual specifications.

223 5. A transferor of a new vehicle prior to its
224 first transfer for purposes other than resale need not disclose
225 the vehicle's odometer mileage.

226 (iii) Any person who knowingly gives a false
227 statement concerning the odometer reading on an odometer
228 disclosure statement shall be guilty of a misdemeanor and, upon
229 conviction, shall be subject to a fine of up to One Thousand
230 Dollars (\$1,000.00) or imprisonment of up to one (1) year, or
231 both, at the discretion of the court. These penalties shall be
232 cumulative, supplemental and in addition to the penalties provided
233 by any other law; and

234 (f) For previously used manufactured homes and mobile
235 homes that previously have not been titled in this state or any
236 other state, a disclosure statement shall be made by the owner of
237 the manufactured home or mobile home applying for the certificate
238 of title. That statement shall read:

239 "I state that the previously used manufactured home or mobile
240 home owned by me for which I am applying for a certificate of
241 title, to the best of my knowledge:

242 _____ (1) Has never been declared a total loss due to
243 flood damage, fire damage, wind damage or other damage; or



244 _____ (2) Has previously been declared a total loss due
245 to:
246 _____ (a) Collision;
247 _____ (b) Flood;
248 _____ (c) Fire;
249 _____ (d) Wind;
250 _____ (e) Other (please describe): _____
251 _____."

252 (2) The application shall be accompanied by such evidence as
253 the Department of Revenue reasonably requires to identify the
254 vehicle, manufactured home or mobile home and to enable the
255 Department of Revenue to determine whether the owner is entitled
256 to a certificate of title and the existence or nonexistence of
257 security interests in the vehicle, manufactured home or mobile
258 home and whether the applicant is liable for a use tax as provided
259 by Sections 27-67-1 through 27-67-33.

260 (3) If the application is for a vehicle, manufactured home
261 or mobile home purchased from a dealer, it shall contain the name
262 and address of any lienholder holding a security interest created
263 or reserved at the time of the sale and the date of his security
264 agreement and it shall be signed by the dealer as well as the
265 owner. The designated agent shall promptly mail or deliver the
266 application to the Department of Revenue.

267 (4) If the application is for a new vehicle, manufactured
268 home or mobile home, it shall contain the certified manufacturer's



269 statement of origin showing proper assignments to the applicant
270 and a copy of each security interest document.

271 (5) Each application shall contain or be accompanied by the
272 certificate of a designated agent that the vehicle, manufactured
273 home or mobile home has been physically inspected by him and that
274 the vehicle identification number and descriptive data shown on
275 the application, pursuant to the requirements of subsection (1)(b)
276 of this section, are correct, and also that he has identified the
277 person signing the application and witnessed the signature. If
278 the application is to receive a branded title for a vehicle for
279 which a salvage certificate of title has been issued, the
280 application shall be accompanied by a sworn affidavit that the
281 vehicle complies with the requirements of this section, Section
282 63-21-39 and the regulations promulgated by the Department of
283 Revenue under Section 63-21-39.

284 (6) (a) If the application is for a first certificate of
285 title on a vehicle, manufactured home or mobile home other than a
286 new vehicle, manufactured home or mobile home, then the
287 application shall conform with the requirements of this section
288 except that in lieu of the manufacturer's statement of origin, the
289 application shall be accompanied by a copy of the bill of sale of
290 said motor vehicle, manufactured home or mobile home whereby the
291 applicant claims title or in lieu thereof, in the case of a motor
292 vehicle, certified copies of the last two (2) years' tag and tax
293 receipts or in lieu thereof, in any case, such other information



294 the Department of Revenue may reasonably require to identify the
295 vehicle, manufactured home or mobile home and to enable the
296 Department of Revenue to determine ownership of the vehicle,
297 manufactured home or mobile home and the existence or nonexistence
298 of security interest in it. If the application is for a vehicle,
299 manufactured home or mobile home last previously registered in
300 another state or country, the application shall also be
301 accompanied by the certificate of title issued by the other state
302 or country, if any, properly assigned.

303 (b) A person may apply for a certificate of title to a
304 vehicle lacking proper documentation if the vehicle is at least
305 thirty (30) years old and the person submits a certificate of
306 ownership signed under penalty of perjury on a form prescribed by
307 the Department of Revenue.

308 (7) If the application is for a vehicle the owner does not
309 intend to drive, the owner need not purchase a license tag in
310 order to receive a certificate of title, so long as the
311 application contains an affidavit attesting to the owner's intent
312 that the vehicle not be operated on the highways of this state
313 until and unless the owner applies for a license tag.

314 (8) Every designated agent within this state shall, no later
315 than the next business day after they are received by him, forward
316 to the Department of Revenue by mail, postage prepaid, the
317 originals of all applications received by him, together with such



318 evidence of title as may have been delivered to him by the
319 applicants.

320 (9) An application for certificate of title and information
321 to be placed on an application for certificate of title may be
322 transferred electronically as provided in Section 63-21-16.

323 (10) The Department of Revenue shall issue a certificate of
324 title or any other document applied for under this chapter to the
325 designated agent, owner or lienholder of the motor vehicle or of
326 the manufactured home or mobile home, as appropriate, not more
327 than thirty (30) days after the application and required fee
328 prescribed under Section 63-21-63 or Section 63-21-64 are received
329 unless the applicant requests expedited processing under
330 subsection (11) of this section.

331 (11) (a) The Department of Revenue shall establish an
332 expedited processing procedure for the receipt of applications and
333 the issuance of certificates of title and any other documents
334 issued under this chapter, except a replacement certificate of
335 title as provided under Section 63-21-27(2), for motor vehicles
336 and for manufactured homes or mobile homes. Any designated agent,
337 lienholder or owner requesting the issuance of any such document,
338 at his or her option, shall receive such expedited processing upon
339 payment of a fee in the amount of Thirty Dollars (\$30.00). Such
340 fee shall be in addition to the fees applicable to the issuance of
341 any such documents under Section 63-21-63 and Section 63-21-64.



342 (b) When expedited title processing is requested, the
343 applicable fees are paid and all documents and information
344 necessary for the Department of Revenue to issue the certificate
345 of title or other documents applied for are received by the
346 department, then the department shall complete processing of the
347 application and issue the title or document applied for within
348 seventy-two (72) hours of the time of receipt, excluding weekends
349 and holidays.

350 **SECTION 3.** Section 63-21-45, Mississippi Code of 1972, is
351 brought forward as follows:

352 63-21-45. (1) If an owner creates a security interest in a
353 vehicle, manufactured home or mobile home:

354 (a) The owner shall immediately execute the application
355 in the space provided therefor on the certificate of title, or on
356 a separate form the State Tax Commission prescribes to name the
357 lienholder on the certificate showing the name and address of the
358 lienholder and the date of his security agreement, and cause the
359 certificate, application and the required fee to be delivered to
360 the lienholder.

361 (b) The lienholder shall immediately cause the
362 certificate, application and required fee to be mailed or
363 delivered to a county tax collector or a designated agent.

364 (c) Upon request of the owner or subordinate
365 lienholder, a lienholder in possession of the certificate of title
366 shall either mail or deliver the certificate to the subordinate



367 lienholder for delivery to a county tax collector or a designated
368 agent or, upon receipt from the subordinate lienholder of the
369 owner's application and the required fee, mail or deliver them to
370 a county tax collector or a designated agent with the certificate.
371 The delivery of the certificate does not affect the rights of the
372 first lienholder under his security agreement.

373 (d) Upon receipt of the certificate of title,
374 application and the required fee, the State Tax Commission shall
375 either endorse on the certificate or issue a new certificate
376 containing the name and address of the new lienholder, and mail
377 the certificate to the first lienholder named in it.

378 (2) Information evidencing a bank or lending institution's
379 lien or other security interest in a motor vehicle's, manufactured
380 home's or mobile home's certificate of title may be transferred by
381 electronic means as provided in Section 63-21-16.

382 **SECTION 4.** This act shall take effect and be in force from
383 and after July 1, 2023.

