

By: Senator(s) England

To: Finance

SENATE BILL NO. 2840

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



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

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

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

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

39 (iii) The name, address, and driver's license  
40 number, nondriver identification card number or tribal  
41 identification card number of the owner;

42 (iv) A certification that the owner:



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

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

47                   (v) A certification that the vehicle:

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

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

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

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

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



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

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

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

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

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

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



92 department, a list of all such vehicles purchased that day for  
93 scrap or for parts. That list shall contain the following  
94 information:

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

97 (ii) The vehicle identification numbers of such  
98 vehicles;

99 (iii) The dates such vehicles were obtained;

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

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

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

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

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



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

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

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



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

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

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

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



167 paragraph (a) or (b) of this subsection and who knowingly and  
168 willfully destroys or dismantles a vehicle upon which he knows  
169 that there is an unsatisfied lien or security interest shall:

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

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

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

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





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

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



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

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



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

250       **SECTION 2.** This act shall take effect and be in force from  
251 and after July 1, 2023.

