

5,000 shall be applicable only to the county's accumulated and current year allocation. Future municipal account allocations shall be used as directed by law unless subsequent requests are made by the county and approved in accordance with the provisions of this section.

Presented to the governor May 3, 1993

Signed by the governor May 5, 1993, 6:10 p.m.

CHAPTER 93—H.F.No. 51

An act relating to motor vehicles; requiring junking certificates of title; regulating title branding for damaged vehicles; amending Minnesota Statutes 1992, sections 168A.01, subdivisions 17a, 17b, and by adding a subdivision; 168A.04, subdivisions 1 and 4; 168A.05, subdivisions 3 and 5; 168A.15; 168A.151, subdivisions 1, 4, and by adding a subdivision; 168A.152, by adding a subdivision; 325F.6641, subdivision 1; 325F.6642, subdivisions 1, 2, 3, 5, and 6; and 325F.6644; repealing Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1992, section 168A.01, is amended by adding a subdivision to read:

Subd. 8b. JUNKING CERTIFICATE. "Junking certificate" means a receipt issued by the department's driver and vehicle services division when a vehicle is declared unrepairable under section 168A.151.

Sec. 2. Minnesota Statutes 1992, section 168A.01, subdivision 17a, is amended to read:

Subd. 17a. SALVAGE TITLE. "Salvage title" means a certificate of title that is issued to a vehicle graded and stamped as declared a "class C" repairable total loss vehicle under section 168A.151 and includes an existing certificate of title that has been stamped with the legend "salvage certificate of title" in accordance with section 168A.151.

Sec. 3. Minnesota Statutes 1992, section 168A.01, subdivision 17b, is amended to read:

Subd. 17b. SALVAGE VEHICLE. "Salvage vehicle" means a vehicle that has been graded and stamped under section 168A.151 a salvage certificate of title.

Sec. 4. Minnesota Statutes 1992, section 168A.04, subdivision 1, is amended to read:

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Subdivision 1. **CONTENTS.** The application for the first certificate of title of a vehicle in this state shall be made by the owner to the department on the form prescribed by the department and shall contain:

(1) the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;

(2) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, and whether new or used;

(3) the date of purchase by applicant, the name and address of the person from whom the vehicle was acquired, the names and addresses of any secured parties in the order of their priority, and the dates of their respective security agreements;

(4) with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

(5) with respect to vehicles subject to ~~sections~~ section 325F.6641 ~~and 325F.6642~~, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of the actual cash value; and

(6) any further information the department reasonably requires to identify the vehicle and to enable it to determine whether the owner is entitled to a certificate of title, and the existence or nonexistence and priority of any security interest in the vehicle.

Sec. 5. Minnesota Statutes 1992, section 168A.04, subdivision 4, is amended to read:

Subd. 4. **VEHICLE LAST REGISTERED OUT OF STATE.** If the application refers to a vehicle last previously registered in another state or country, the application shall contain or be accompanied by:

(1) any certificate of title issued by the other state or country;

(2) any other information and documents the department reasonably requires to establish the ownership of the vehicle and the existence or nonexistence and priority of any security interest in it;

(3) the certificate of a person authorized by the department that the identifying number of the vehicle has been inspected and found to conform to the description given in the application, or any other proof of the identity of the vehicle the department reasonably requires; and

(4) with respect to vehicles subject to ~~sections~~ section 325F.6641 ~~and~~

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~~325F.6642~~, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of actual cash value.

Sec. 6. Minnesota Statutes 1992, section 168A.05, subdivision 3, is amended to read:

Subd. 3. **CONTENT OF CERTIFICATE.** Each certificate of title issued by the department shall contain:

- (1) the date issued;
- (2) the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;
- (3) the names and addresses of any secured parties in the order of priority as shown on the application, or if the application is based on a certificate of title, as shown on the certificate, or as otherwise determined by the department;
- (4) the title number assigned to the vehicle;
- (5) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, whether new or used, and if a new vehicle, the date of the first sale of the vehicle for use;
- (6) with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;
- (7) with respect to vehicles subject to sections 325F.6641 and 325F.6642, the appropriate term "flood damaged," "rebuilt," "prior salvage," or "reconstructed"; and
- (8) any other data the department prescribes.

Sec. 7. Minnesota Statutes 1992, section 168A.05, subdivision 5, is amended to read:

Subd. 5. **ASSIGNMENT AND WARRANTY OF TITLE FORMS.** The certificate of title shall contain forms for assignment and warranty of title by the owner, and for assignment and warranty of title by a dealer, and shall contain forms for applications for a certificate of title by a transferee, and the naming of a secured party, and shall include language necessary to implement ~~sections~~ section 325F.6641 ~~and 325F.6642~~.

Sec. 8. Minnesota Statutes 1992, section 168A.15, is amended to read:

168A.15 RECONSTRUCTED, SCRAPPED, DISMANTLED, OR DESTROYED VEHICLES.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 2. **REQUIREMENTS TO OBTAIN CERTIFICATE FOR RECONSTRUCTED VEHICLE.** If a vehicle is altered so as to become a reconstructed vehicle, the owner shall apply for a certificate of title to the reconstructed vehicle in the manner provided in section 168A.04, and any existing certificate of title to the vehicle shall be surrendered for cancellation.

Subd. 3. **SCRAPPED, DISMANTLED, OR DESTROYED VEHICLE.** An owner who scraps, dismantles, or destroys a vehicle, or a person who purchases a vehicle as scrap or to be dismantled or destroyed, shall immediately have the certificate of title mailed or delivered to the department for cancellation. A certificate of title for the vehicle shall not again be issued.

Sec. 9. Minnesota Statutes 1992, section 168A.151, subdivision 1, is amended to read:

Subdivision 1. **INSURERS SALVAGE TITLES.** When an insurer, licensed to conduct business in Minnesota, acquires ownership of a late model or high value vehicle through payment of damages, the insurer shall ~~stamp and grade the assigned~~ immediately apply for a salvage certificate of title as required under subdivision 3 and comply with all requirements of this chapter, or shall stamp the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in a manner prescribed by the department. Within 48 hours of taking possession of a vehicle through payment of damages, an insurer must notify the department in a manner prescribed by the department.

Any person who acquires a damaged motor vehicle with an out-of-state title and the cost of repairs exceeds the value of the damaged vehicle or a motor vehicle with an out-of-state salvage title or certificate, as proof of ownership, shall immediately apply for a salvage certificate of title. A self-insured owner of a late model or high value vehicle who sustains damage by collision or other occurrence which exceeds 70 percent of its actual cash value shall immediately apply for a salvage certificate of title.

Sec. 10. Minnesota Statutes 1992, section 168A.151, subdivision 4, is amended to read:

Subd. 4. **OTHER OWNERS JUNKING CERTIFICATE REQUIRED.** When a person ~~other than a dealer or insurer~~ acquires ownership of a ~~late model or high value~~ vehicle that is a "class C" an unrepairable total loss vehicle, the person shall surrender the assigned certificate of title to the department and apply for a salvage junking certificate of title.

Sec. 11. Minnesota Statutes 1992, section 168A.151, is amended by adding a subdivision to read:

Subd. 6. **AUTHORITY UNDER JUNKING CERTIFICATE.** A junking certificate authorizes the holder only to possess and transport the vehicle, except that a salvage pool or insurance company, or its agent, may sell an unrepairable total loss vehicle with a junking certificate to a licensed used parts dealer.

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Sec. 12. Minnesota Statutes 1992, section 168A.152, is amended by adding a subdivision to read:

Subd. 1a. DUTIES OF SALVAGE VEHICLE PURCHASER. No salvage vehicle purchaser shall possess or retain a salvage vehicle which does not have a salvage certificate of title. The salvage vehicle purchaser shall display the salvage certificate of title upon the request of any appropriate public authority.

Sec. 13. Minnesota Statutes 1992, section 325F.6641, subdivision 1, is amended to read:

Subdivision 1. **DAMAGE.** (a) If a motor vehicle has sustained damage by collision or other occurrence which exceeds 70 percent of its actual cash value ~~so that the vehicle becomes a class C total loss vehicle~~ immediately prior to sustaining damage, the seller must disclose that fact to the buyer, if the seller has actual knowledge of the damage. The amount of damage is determined by the retail cost of repairing the vehicle based on a complete written retail repair estimate or invoice.

(b) The disclosure required under this subdivision must be made in writing on the application for title and registration or other transfer document, in a manner prescribed by the registrar of motor vehicles. The registrar shall revise the certificate of title form, including the assignment by seller (transferor) and reassignment by licensed dealer sections of the form, the separate application for title forms, and other transfer documents to accommodate this disclosure. If the seller is a motor vehicle dealer licensed pursuant to section 168.27, the disclosure required by this section must be made orally by the dealer to the prospective buyer in the course of the sales presentation.

(c) Upon transfer and application for title to a vehicle covered by this subdivision, the registrar shall record the term "rebuilt" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

Sec. 14. Minnesota Statutes 1992, section 325F.6642, subdivision 1, is amended to read:

Subdivision 1. **FLOOD DAMAGE.** If the application for title and registration indicates that the vehicle has been classified as a ~~class B or C~~ class C total loss vehicle because of water or flood damage, the registrar of motor vehicles shall record the term "flood damaged" on the certificate of title and all subsequent certificates of title issued for that vehicle.

Sec. 15. Minnesota Statutes 1992, section 325F.6642, subdivision 2, is amended to read:

Subd. 2. **CLASS C TOTAL LOSS VEHICLES.** Upon transfer and application for title to all ~~class C~~ class C total loss vehicles, the registrar of motor vehicles shall record the term "rebuilt prior salvage" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

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Sec. 16. Minnesota Statutes 1992, section 325F.6642, subdivision 3, is amended to read:

Subd. 3. **OUT-OF-STATE VEHICLES.** (a) Upon transfer and application for title of all repaired vehicles with out-of-state titles that bear the term "damaged," "salvage," "rebuilt," "reconditioned," or any similar term, the registrar of motor vehicles shall record the term "~~rebuilt~~ prior salvage" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

(b) The registrar shall mark "~~rebuilt~~ prior salvage" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle which came into the state unrepaired and for which a salvage certificate of title was issued ~~unless the person applying for the Minnesota title offers proof satisfactory to the registrar that the vehicle did not sustain damage equivalent to the 70 percent standard set forth in this section. The proof shall include photographs of the vehicle and either an insurance adjuster's written report or a written repair estimate which details the parts and labor required to repair the vehicle. The photographs and other documents submitted as proof under this subdivision must be filed and retained by the registrar so as to permit verification of the proof offered.~~

(c) For vehicles with out-of-state titles which bear the term "flood damaged," the registrar of motor vehicles shall record the term "flood damaged" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued for that vehicle.

(d) The registrar shall mark "prior salvage" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle that had a salvage certificate of title issued at any time in the vehicle's history by any other jurisdiction.

Sec. 17. Minnesota Statutes 1992, section 325F.6642, subdivision 5, is amended to read:

Subd. 5. **MANNER OF BRANDING.** The designation of "flood damaged," "rebuilt," "prior salvage," or "reconstructed" on a certificate of title shall be made by the registrar of motor vehicles in a clear and conspicuous manner, in a color different from all other writing on the certificate of title.

Sec. 18. Minnesota Statutes 1992, section 325F.6642, subdivision 6, is amended to read:

Subd. 6. **CLASS C TOTAL LOSS VEHICLE; DEFINITION.** For the purposes of this section, a ~~class C~~ "total loss vehicle" means a vehicle, damaged by collision or other occurrence, for which a salvage certificate of title has been issued ~~and vehicles with damage of at least 70 percent of the vehicle's actual cash value immediately prior to sustaining the damage based on a written retail repair estimate or invoice, as determined by an insurer or dealer pursuant to~~

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section 168A.151 or by comparing an insurer's written retail repair estimate of damage or actual loss payout to the average trade-in value of the vehicle according to the National Automobile Dealers Association's Official Used Car Guide or other similar publication approved by the registrar. Total loss vehicle does not include a stolen and recovered vehicle verified by the insurer who declared the vehicle to be a total loss vehicle unless there is more than minimal damage to the vehicle as determined by the registrar.

Sec. 19. Minnesota Statutes 1992, section 325F.6644, is amended to read:

325F.6644 APPLICATION.

Sections 325F.6641 and 325F.6642 do not apply to vehicles that are six years old or older as calculated from the first day of January of the designated model year or to commercial motor vehicles with a gross vehicle rating of ~~26,000~~ 16,000 pounds or more or to motorcycles.

Sec. 20. REPEALER.

Minnesota Statutes 1992, section 168A.151, subdivisions 2, 3, and 5, are repealed.

Sec. 21. EFFECTIVE DATE.

This act is effective 30 days after final enactment.

Presented to the governor May 3, 1993

Signed by the governor May 5, 1993, 6:13 p.m.

CHAPTER 94—H.F.No. 1404

An act relating to the cities of New Brighton and St. Louis Park; permitting the cities to acquire granular carbon without a bond.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. NEW BRIGHTON; ST. LOUIS PARK; GRANULAR CARBON.

The cities of New Brighton and St. Louis Park may contract for the procurement, installation, removal, and treatment of granular activated carbon to be used in a water treatment facility for the treatment of contaminated water for potable consumption without complying with Minnesota Statutes, section 574.26, if the city first determines by resolution that requiring a performance bond will result in no bids or economically disadvantageous bids.

Sec. 2. EFFECTIVE DATE.

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