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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 2187

02/13/2012 Authored by Vogel, Beard, Nelson and Daudt

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance

1.1 A bill for an act  
1.2 relating to public safety; vehicle titles; clarifying requirements pertaining  
1.3 to bonds and issuance of title; amending Minnesota Statutes 2010, sections  
1.4 168A.07, by adding a subdivision; 168A.20, subdivision 5.

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

1.6 Section 1. Minnesota Statutes 2010, section 168A.07, is amended by adding a  
1.7 subdivision to read:

1.8 Subd. 3. **Submission of bond; issuance of title.** If application is made for a  
1.9 certificate of title on a vehicle with a model year designated by the manufacturer of more  
1.10 than five years prior to the year in which the application is made, and the applicant is  
1.11 unable to establish ownership of the vehicle because one or more existing owners or  
1.12 lienholders cannot be found, the applicant may submit a bond in the form and amount  
1.13 prescribed in subdivision 1, clause (2). Upon receipt of the application, fees and taxes,  
1.14 bond, and a written statement by the applicant that after diligent search the owner or  
1.15 lienholder cannot be found, the department shall issue a certificate of title to the applicant.  
1.16 The bond shall be returned to the applicant as provided in subdivision 1, clause (2), or at  
1.17 an earlier date after the applicant establishes ownership of the vehicle.

1.18 Sec. 2. Minnesota Statutes 2010, section 168A.20, subdivision 5, is amended to read:

1.19 Subd. 5. **Satisfaction of automobile lien seven years old; release.** A security  
1.20 interest perfected under this chapter may be canceled seven years from the perfection  
1.21 date for a passenger automobile, as defined in section 168.002, subdivision 24, upon the  
1.22 request of the owner of the passenger automobile, if the owner has paid the lien in full  
1.23 and is unable to locate the lienholder to obtain a lien release. At a minimum, the owner

2.1 must send a letter to the lienholder by certified mail, return receipt requested, requesting a  
2.2 lien release. If the owner is unable to obtain a lien release by sending a letter by certified  
2.3 mail, then the owner must present to the department or its agent the returned letter as  
2.4 evidence of the attempted contact. This subdivision applies only to vehicle owners who  
2.5 are individuals or a dealer holding a vehicle for resale.