This Document can be made available
in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2912

03/10/2014 Authored by Simon
The bill was read for the first time and referred to the Committee on Civil Law

1.1 A bill for an act

1.2 relating to liens; regulating liens on personal property; providing for the sale of

1.3 a motor vehicle held by a licensed dealer; amending Minnesota Statutes 2012,

1.4 section 514.21.

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

1.6 Section 1. Minnesota Statutes 2012, section 514.21, is amended to read:

1.7 **514.21 SALE, WHEN AND WHERE MADE; NOTICE.**

1.8 Subdivision 1. **Generally.** The sale herein provided for shall be made at public

1.9 auction between nine o'clock in the morning and five o'clock in the afternoon in the county

1.10 where the property or some part thereof is situated. A notice stating the time and place

1.11 of sale, the amount which will be due on the date of sale exclusive of the expenses

1.12 of advertising and sale, and the grounds of the lien, giving a general description of the

1.13 property to be sold, shall be served personally upon the owner of the property if the owner

1.14 can be found within the county in which the property is stored, and if not, then it shall be

1.15 mailed to the owner thereof at least three weeks before the time fixed for such sale if the

1.16 place of residence or post office address of such owner is known by, or with due diligence

1.17 can be learned by, the person claiming such lien, and shall be published once in each week

1.18 for three successive weeks in a newspaper printed and published in the county where the

1.19 property, or some part thereof, is situated, the last publication of such notice to be at least

1.20 one week prior to the date of sale; or, if there is no newspaper printed and published in

1.21 the county, then the notice of sale shall be posted in three of the most public places in the

1.22 county at least three weeks before the time of sale. In case neither the place of residence

1.23 nor the post office address of such owner is known to the person claiming such lien and

2.1   cannot with reasonable diligence be learned, the publication or posting of notice, as herein

2.2   provided, shall be sufficient to authorize such sale.

2.3   Subd. 2. **Motor vehicle held by licensed dealer.** If the property subject to the

2.4   lien is a motor vehicle and the lienholder is a dealer licensed under section 168.27,

2.5   subdivision 2 or 3, the dealer may sell the vehicle as provided in subdivision 1 or may

2.6   sell the vehicle at wholesale or retail in the ordinary course of business after notice to

2.7   the owner as provided in this subdivision.

2.8   At least three weeks prior to sale, the dealer shall send a written notice by certified

2.9   mail to the last known address of the owner of the vehicle according to the records of the

2.10   dealer. If the vehicle is registered in this state and subject to a certificate of title and the

2.11   name of the owner or the address of the owner is different than shown on the records of

2.12   the dealer, the dealer shall also send the written notice to the registered owner by certified

2.13   mail at the address shown. Refusal by an owner to accept certified mail notice, failure by

2.14   an owner to claim certified mail notice, or the notice being otherwise undeliverable does

2.15   not render the notice insufficient.

2.16   The notice must contain a description of the vehicle, the grounds of the lien, the

2.17   name, address, and telephone number of the dealer, the total amount owed including any

2.18   accrued storage charges, the date after which the vehicle will be sold, and a statement that

2.19   the owner may reclaim the vehicle prior to sale by paying the full amount due.

2.20   **EFFECTIVE DATE; APPLICATION.** This section is effective August 1, 2014,

2.21   and applies to a vehicle in the possession of a licensed dealer on or after that date.

Section 1.   2