

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2704

03/08/2016 Authored by Scott, Lesch, Ward, O'Neill, Lucero and others

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance

1.1 A bill for an act
1.2 relating to public safety; modifying vehicle forfeiture provisions to include
1.3 more than one owner of a vehicle; amending Minnesota Statutes 2014, section
1.4 169A.63, subdivision 7.

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

1.6 Section 1. Minnesota Statutes 2014, section 169A.63, subdivision 7, is amended to read:

1.7 Subd. 7. **Limitations on vehicle forfeiture.** (a) A vehicle is presumed subject to
1.8 forfeiture under this section if:

1.9 (1) the driver is convicted of the designated offense upon which the forfeiture is based;

1.10 (2) the driver fails to appear for a scheduled court appearance with respect to the
1.11 designated offense charged and fails to voluntarily surrender within 48 hours after the
1.12 time required for appearance; or

1.13 (3) the driver's conduct results in a designated license revocation and the driver
1.14 fails to seek judicial review of the revocation in a timely manner as required by section
1.15 169A.53, subdivision 2, (petition for judicial review), or the license revocation is judicially
1.16 reviewed and sustained under section 169A.53, subdivision 2.

1.17 (b) A vehicle encumbered by a security interest perfected according to section
1.18 168A.17, subdivision 2, or subject to a lease that has a term of 180 days or more, is subject
1.19 to the interest of the secured party or lessor unless the party or lessor had knowledge of or
1.20 consented to the act upon which the forfeiture is based. However, when the proceeds of the
1.21 sale of a seized vehicle do not equal or exceed the outstanding loan balance, the appropriate
1.22 agency shall remit all proceeds of the sale to the secured party after deducting the agency's
1.23 costs for the seizure, tow, storage, forfeiture, and sale of the vehicle. If the sale of the
1.24 vehicle is conducted in a commercially reasonable manner consistent with the provisions

of section 336.9-610, the agency is not liable to the secured party for any amount owed on the loan in excess of the sale proceeds. The validity and amount of a nonperfected security interest must be established by its holder by clear and convincing evidence.

(c) Notwithstanding paragraph (b), the secured party's or lessor's interest in a vehicle is not subject to forfeiture based solely on the secured party's or lessor's knowledge of the act or omission upon which the forfeiture is based if the secured party or lessor demonstrates by clear and convincing evidence that the party or lessor took reasonable steps to terminate use of the vehicle by the offender.

(d) A motor vehicle is not subject to forfeiture under this section if any of its owner ~~owners~~ can demonstrate by clear and convincing evidence that the owner did not have actual or constructive knowledge that the vehicle would be used or operated in any manner contrary to law or that the owner took reasonable steps to prevent use of the vehicle by the offender. If the offender is a family or household member of any of the owner ~~owners~~ petitioning the court and has three or more prior impaired driving convictions, the owner is presumed to know of any vehicle use by the offender that is contrary to law. "Vehicle use contrary to law" includes, but is not limited to, violations of the following statutes:

(1) section 171.24 (violations; driving without valid license);

(2) section 169.791 (criminal penalty for failure to produce proof of insurance);

(3) section 171.09 (driving restrictions; authority, violations);

(4) section 169A.20 (driving while impaired);

(5) section 169A.33 (underage drinking and driving); and

(6) section 169A.35 (open bottle law).

EFFECTIVE DATE. This section is effective August 1, 2016, and applies to forfeiture actions occurring on or after that date.