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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 3958

03/02/2020 Authored by O'Driscoll and Elkins
The bill was read for the first time and referred to the Transportation Finance and Policy Division

1.1 A bill for an act
1.2 relating to motor vehicles; allowing an insurer to apply for a title to a vehicle in
1.3 certain situations; proposing coding for new law in Minnesota Statutes, chapter
1.4 168A.

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

1.6 Section 1. [168A.1502] INSURER APPLICATION FOR TITLE.

1.7 (a) When an insurer licensed to conduct business in Minnesota acquires ownership of a
1.8 vehicle through payment of damages and the owner fails to deliver the vehicle's title to the
1.9 insurer within 30 days of payment of the claim, the insurer may apply to the commissioner
1.10 for a salvage title as provided in this section. This section only applies to vehicles with a
1.11 title issued by this state.

1.12 (b) At least 30 days prior to applying for a salvage title under this section, the insurer
1.13 must notify the owner and any lienholders of record of the insurer's intent to apply for a
1.14 title. The notice must be sent by certified mail to the last known address for the owner and
1.15 any lienholders.

1.16 (c) At least 30 days after notifying the owner and any lienholders as provided in paragraph
1.17 (b), the insurer may apply for a salvage title from the commissioner. The application must
1.18 include:

1.19 (1) proof of payment of the claim;

1.20 (2) proof that the insurer requested the title from the owner; and

1.21 (3) proof that notice was provided to the owner and lienholders as required in paragraph

1.22 (b).

2.1 If the insurer does not provide proof of all three items, the commissioner must reject the
2.2 application.

2.3 (d) Notwithstanding any outstanding liens, upon proper application, the commissioner
2.4 must issue a salvage title in the name of the insurer. This extinguishes all existing liens
2.5 against the vehicle. If the vehicle is sold, the insurer must assign this title to the buyer and
2.6 the vehicle is transferred without any liens.