

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 2273

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DATE	D-PG	OFFICIAL STATUS
03/05/2012	4112	Introduction and first reading Referred to Transportation
03/14/2012	4378a 4409	Comm report: To pass as amended Second reading
03/28/2012	5245	Special Order
	5245	Third reading Passed
04/03/2012	5568	Returned from House with amendment
	5568	Senate concurred and repassed bill
	5568	Third reading
		Presentment date 04/03/12
04/16/2012	5848	Governor’s action Approval 04/05/12
	5848	Secretary of State Chapter 163 04/05/12
		Effective date 08/01/12

1.1A bill for an act

1.2relating to public safety; motor vehicles; motor vehicle dealer regulations;

1.3expanding the class of eligible buyers for junked vehicles; amending Minnesota

1.4Statutes 2010, sections 168.27, subdivisions 2, 3, 3c; 168A.151, subdivision 6.

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

1.6Section 1. Minnesota Statutes 2010, section 168.27, subdivision 2, is amended to read:

1.7Subd. 2. **New motor vehicle dealer.** (a) A new motor vehicle dealer licensee may

1.8sell, broker, wholesale, or auction and solicit and advertise the sale, brokerage, wholesale,

1.9or auction of new motor vehicles covered by the franchise and any used motor vehicles,

1.10and may lease and solicit and advertise the lease of new motor vehicles and any used

1.11motor vehicles. New motor vehicle dealer sales or leases may be either for consumer

1.12use at retail or for resale to a dealer. A new motor vehicle dealer may engage in the

1.13business of buying or otherwise acquiring vehicles for dismantling the vehicles and

1.14selling used parts and remaining scrap materials under chapter 168A, except that a new

1.15motor vehicle dealer may not purchase a junked vehicle from a salvage pool, insurance

1.16company, or its agent unless the dealer is also licensed as a used vehicle parts dealer or

1.17licensed as a scrap metal processor. Nothing in this subdivision requires an applicant for

1.18a dealer license who proposes to deal in: (1) new and unused motor vehicle bodies; or

1.19(2) type A, B, or C motor homes as defined in section 168.002, subdivision 27, to have

1.20a bona fide contract or franchise in effect with either the first-stage manufacturer of the

1.21motor home or the manufacturer or distributor of any motor vehicle chassis upon which

1.22the new and unused motor vehicle body is mounted. The modification or conversion

1.23of a new van-type vehicle into a multipurpose passenger vehicle which is not a motor

1.24home does not constitute dealing in new or unused motor vehicle bodies, and a person

engaged in the business of selling these van-type vehicles must have a bona fide contract or franchise with the appropriate manufacturer under subdivision 10. A van converter or modifier who owns these modified or converted van-type vehicles may sell them at wholesale to new motor vehicle dealers having a bona fide contract or franchise with the first-stage manufacturer of the vehicles.

(b) The requirements pertaining to franchises do not apply to persons who remodel or convert motor vehicles for medical purposes. For purposes of this subdivision, "medical purpose" means certification by a licensed physician that remodeling or conversion of a motor vehicle is necessary to enable a disabled person to use the vehicle.

(c) A new motor vehicle dealer shall not deliver a manufacturer's or importer's certificate of origin for a passenger automobile, pickup truck, or van requiring a certificate of title according to chapter 168A to any person in conjunction with the sale of a vehicle except to the department, another new motor vehicle dealer licensed to sell the same line or make, or a person whose primary business is picking up and delivering motor vehicle title documents.

(d) If a new motor vehicle dealer agrees to sell or lease a new motor vehicle using the services of a motor vehicle broker, the new motor vehicle dealer may not refuse to deliver possession of the vehicle to the buyer or lessee. This paragraph does not require delivery unless all arrangements have been properly completed for payment, insurance required by law, titling, transfer, and registration of the new vehicle and any trade-in vehicle. Delivery may take place at or away from the dealership.

Sec. 2. Minnesota Statutes 2010, section 168.27, subdivision 3, is amended to read:

Subd. 3. **Used motor vehicle dealer.** A used motor vehicle dealer licensee may sell, lease, broker, wholesale, or auction and solicit and advertise the sale, lease, brokerage, wholesale, or auction of any used motor vehicles for consumer use at retail or for resale to a dealer. A used motor vehicle dealer may engage in the business of buying or otherwise acquiring vehicles for dismantling the vehicles and selling used parts and remaining scrap materials under chapter 168A, except that a used motor vehicle dealer may not acquire a junked vehicle from a salvage pool, insurance company, or its agent, unless the dealer is also licensed as a used vehicle parts dealer or licensed as a scrap metal processor.

Sec. 3. Minnesota Statutes 2010, section 168.27, subdivision 3c, is amended to read:

Subd. 3c. **Vehicle salvage pool.** A vehicle salvage pool licensee may store and display and may solicit and advertise the storing and displaying, for sale, of damaged or junked vehicles as an agent or escrow agent of an insurance company. A vehicle salvage

3.1 pool licensee shall not sell junked vehicles to any party other than a licensed used parts
3.2 dealer or a licensed scrap metal processor.

3.3 Sec. 4. Minnesota Statutes 2010, section 168A.151, subdivision 6, is amended to read:

3.4 Subd. 6. **Authority under junking certificate.** A junking certificate authorizes the
3.5 holder only to possess and transport the vehicle, except that a salvage pool or insurance
3.6 company, or its agent, may sell an unrepairable total loss vehicle with a junking certificate
3.7 to a licensed used parts dealer or a licensed scrap metal processor.