86B.855 SUSPENDING OR REVOKING CERTIFICATE.

Subdivision 1. **Suspension or revocation.** The commissioner shall suspend or revoke a certificate of title upon notice and reasonable opportunity to be heard if authorized by law or if the commissioner finds that:

(1) the certificate of title was fraudulently procured or erroneously issued; or

(2) the watercraft has been scrapped, dismantled, or destroyed.

Subd. 2. **Duties of owner.** If the commissioner suspends or revokes a certificate of title, the owner or person in possession of the certificate of title, immediately upon receiving notice of the suspension or revocation, shall mail or deliver the certificate to the commissioner.

Subd. 3. **Seizure or impoundment.** The commissioner may seize and impound a certificate of title that has been suspended or revoked.

Subd. 4. **Subsequent good faith purchaser.** Suspension or revocation of a certificate of title does not affect the validity of a subsequent transfer to a purchaser relying in good faith on the assignment of a suspended or revoked title if the certificate of title was not surrendered to or seized by the commissioner under subdivisions 2 and 3, and the commissioner shall issue a new certificate of title to an applicant who is a good faith purchaser for value in those circumstances.

History: *1989 c 335 art 1 s 229; 1990 c 391 art 10 s 3*