

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 640

(SENATE AUTHORS: JASINSKI, Newman, Frenz and Tomassoni)

DATE
02/04/2021

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Introduction and first reading
Referred to Transportation Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to motor vehicles; modifying the class of vehicles requiring a salvage
1.3 certificate of title; appropriating money; amending Minnesota Statutes 2020, section
1.4 168A.151, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2020, section 168A.151, subdivision 1, is amended to read:

1.7 Subdivision 1. **Salvage titles.** (a) When an insurer, licensed to conduct business in
1.8 Minnesota, acquires ownership of a ~~late-model or high-value~~ vehicle through payment of
1.9 damages, the insurer shall immediately apply for a salvage certificate of title or shall stamp
1.10 the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in
1.11 a manner prescribed by the department. Within ten days of obtaining the title of a vehicle
1.12 through payment of damages, an insurer must notify the department in a manner prescribed
1.13 by the department.

1.14 (b) A person shall immediately apply for a salvage certificate of title if the person acquires
1.15 a damaged ~~late-model or high-value~~ vehicle with an out-of-state title and the vehicle:

1.16 (1) is a vehicle that was acquired by an insurer through payment of damages;

1.17 (2) is a vehicle for which the cost of repairs exceeds the value of the damaged vehicle;

1.18 or

1.19 (3) has an out-of-state salvage certificate of title as proof of ownership.

1.20 (c) A self-insured owner of a ~~late-model or high-value~~ vehicle that sustains damage by
1.21 collision or other occurrence which exceeds 80 percent of its actual cash value shall
1.22 immediately apply for a salvage certificate of title.

2.1 (d) A person who retains ownership of a late-model or high-value motor vehicle and
2.2 receives a total loss settlement from an insurance company, shall immediately apply for a
2.3 salvage certificate of title.

2.4 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to: (1) a
2.5 vehicle subject to this section that is acquired on or after that date; (2) a vehicle that sustains
2.6 damage by collision as described in paragraph (c) on or after that date; or (3) a vehicle for
2.7 which a person receives a total loss settlement as described in paragraph (d) on or after that
2.8 date.

2.9 Sec. 2. **APPROPRIATION.**

2.10 \$441,000 is appropriated in fiscal year 2022 from the vehicle services operating account
2.11 in the special revenue fund to the commissioner of public safety for the costs of two additional
2.12 vehicle inspection sites, including the costs of equipment and staff. The base appropriation
2.13 for this purpose is \$395,000 in fiscal year 2023.