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Sixty-eighth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2118

Introduced by

Energy and Natural Resources Committee

(At the request of the Department of Environmental Quality)

1 A BILL for an Act to amend and reenact sections 23.1-15-01, 23.1-15-03, 23.1-15-04, ~~subsection~~
2 ~~1 of section~~ 23.1-15-05, subsection 1 of section 23.1-15-07, 23.1-15-08, and 23.1-15-09 of the
3 North Dakota Century Code, relating to abandoned motor vehicles; and to declare an
4 emergency.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 23.1-15-01 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **23.1-15-01. Definitions.**

9 For purposes of this chapter, unless the context otherwise requires:

- 10 1. "Abandoned motor vehicle" means a motor vehicle, as defined in section 39-01-01, that
11 has remained for a period of more than forty-eight hours on public property illegally or
12 lacking ~~vital component parts~~ that are essential to the mechanical functioning of the
13 vehicle, including the motor, drive train, or wheels, or is located on private property
14 without consent of the person in control of the property or in an inoperable condition such
15 that it has no substantial potential further use consistent with its usual functions, unless
16 it is kept in an enclosed garage or storage building. It also means a motor vehicle
17 voluntarily surrendered by its owner to a ~~person duly licensed under section 23.1-15-~~
18 ~~09~~ permitted scrap iron processor. An antique automobile, as defined in section 39-04-

- 1 10.4, and other motor vehicles to include parts car and special interest vehicles, may not
2 be considered an abandoned motor vehicle within the meaning of this chapter.
- 3 2. "Collector" means the owner of one or more special interest vehicles that collects,
4 purchases, acquires, trades, or disposes of special interest vehicles or parts of special
5 interest vehicles for the person's own use in order to restore, preserve, and maintain a
6 special interest vehicle or antique vehicle.
- 7 3. "Commercial towing service" means a registered business in North Dakota that tows
8 motor vehicles.
- 9 4. "Department" means the department of environmental quality.
- 10 5. "Emergency towing" means the towing of a vehicle due to a motor vehicle accident,
11 mechanical breakdown on public roadway, or other emergency-related incident
12 necessitating vehicle removal for public safety with or without the owner's consent.
- 13 6. "Parts car" means a motor vehicle generally in nonoperable condition which is owned by
14 the collector to furnish parts to restore, preserve, and maintain a special interest vehicle
15 or antique vehicle.
- 16 7. "Permitted scrap iron processor" means a scrap iron processor holding a valid permit
17 issued by the department under chapter 23.1-08.
- 18 ~~7-8.~~ "Scrap tire" means a tire that is no longer suitable for its original intended purpose
19 because of wear, damage, or defect.
- 20 9. "Secured party" means an insurer covering the abandoned motor vehicle under an
21 insurance policy.
- 22 ~~8-10.~~ "Special interest vehicle" means a motor vehicle that is at least twenty years old and has
23 not been altered or modified from original manufacturer's specifications and, because of
24 its historic interest, is being preserved by hobbyists.

1 10. "Submerged vehicle" means a motor vehicle or a recreational vehicle as defined in
2 section 39-01-01 or a trailer that is submerged in a body of water.

3 ~~8-11.~~ "Unit of government" includes a state department or agency, a county, city, township, or
4 other political subdivision.

5 ~~9. "Vital component parts" means those parts of a motor vehicle that are essential to the~~
6 ~~mechanical functioning of the vehicle, including, but not limited to, the motor, drive train,~~
7 ~~and wheels.~~

8 **SECTION 2. AMENDMENT.** Section 23.1-15-03 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **23.1-15-03. Custody of abandoned motor vehicle.**

11 Units of government may take into custody and impound or request and authorize a
12 commercial towing service to take into custody an abandoned motor vehicle. If requested by an
13 owner, lessee, tenant, or occupant of private property, a commercial towing service may remove
14 and take into custody an abandoned motor vehicle located on the private property.

15 **SECTION 3. AMENDMENT.** Section 23.1-15-04 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 ~~23.1-15-04. Conditions under which an abandoned motor vehicle may be sold~~
18 ~~immediately is eligible for immediate disposal.~~

19 ~~When an~~ An abandoned motor vehicle whose value as determined by the party with custody
20 is no more than seven model years of age, is lacking vital component parts, and does not display
21 a license plate currently valid in North Dakota or any other state or foreign country, it one thousand
22 dollars and whose owner, lienholders, or secured parties cannot be identified with reasonable
23 certainty after a search of the department of transportation records is immediately eligible for
24 disposition ~~and must be disposed of to~~ by a permitted scrap iron processor ~~licensed under section~~
25 ~~23.1-15-09~~, and is not subject to the notification, reclamation, or title provisions of this chapter.

1 Any license plate displayed on an abandoned motor vehicle must be removed and destroyed prior
2 to the purchaser taking possession of the vehicle. An abandoned motor vehicle qualifying for
3 immediate disposal is not eligible for reimbursement of storage costs under section 23.1-15-09.

4 **SECTION 4. AMENDMENT.** ~~Subsection 1 of~~Section 23.1-15-05 of the North Dakota Century
5 Code is amended and reenacted as follows:

6 1. When an abandoned motor vehicle does not fall within the provisions of section 23.1-15-
7 04, the unit of government or commercial towing service taking it into custody shall give
8 notice of the taking within ten days or within ten days after communications from the
9 owner, lienholder, or secured parties of the abandoned motor vehicle have ceased. The
10 notice must set forth the date and place of the taking, the year, make, model, and serial
11 number of the abandoned motor vehicle, and the place where the vehicle is being held,
12 must inform the owner and any lienholders or secured parties of their right to reclaim the
13 vehicle under section 23.1-15-06, must state that failure of the owner, lienholders, or
14 secured parties to exercise their right to reclaim the vehicle within thirty days is deemed
15 a waiver by the owner, lienholders, or secured parties of all right, title, and interest in the
16 vehicle and a consent to the disposal of the vehicle pursuant to section 23.1-15-07, and
17 must state the end date of the thirty-day period during which the owner may reclaim the
18 abandoned motor vehicle.

19 2. The notice must be sent by certified mail, return receipt requested, to the registered
20 owner, if any, of the abandoned motor vehicle and to all readily identifiable lienholders or
21 secure parties of record. If it is impossible to determine with reasonable certainty the
22 identity and address of the registered owner and all lienholders, the notice must be
23 published once in a newspaper of general circulation in the area where the motor vehicle
24 was abandoned or placed on the official website for the unit of government that initiated
25 the impound process from public property. When posted on a website, the notice must

1 be placed in a designated area on the official website for a minimum of thirty days and
2 must include the information in subsection 1. Published notices may be grouped together
3 for convenience and economy. Failure of the owner, lienholders, or secured parties to
4 exercised the right to reclaim the abandoned motor vehicle by the end of the public notice
5 period is deemed a waiver by the owner, lienholders, or secured parties of all right, title,
6 and interests in the vehicle and consent to the disposal of the vehicle pursuant to section
7 23.1-15-07.

8 3. Subject to section 23.1-15-04, a commercial towing services that takes an abandoned
9 motor vehicle into custody shall provide notice to the law enforcement agency having
10 jurisdiction in the location from which the motor vehicle was towed within twelve hours after
11 completing the tow.

12 4. Notice under subsection 3 must include:

13 a. The license plate number and state of registration;

14 b. The location from which the abandoned motor vehicle was towed;

15 c. The location to which the abandoned motor vehicle was towed;

16 d. The name, address, and telephone number of the commercial towing service that
17 towed and is storing the abandoned motor vehicle; and

18 e. A description of the abandoned motor vehicle, including make, model, year, and
19 color.

20 5. A commercial towing service that violates subsection 3 may not collect a storage fee
21 under section 23.1-15-06 and shall return the motor vehicle to the registered owner at
22 no cost to the owner, lienholder, or secured party.

23 ~~6. This section also applies to emergency towing.~~

24 **SECTION 5. AMENDMENT.** Subsection 1 of section 23.1-15-07 of the North Dakota Century
25 Code is amended and reenacted as follows:

1 1. ~~An~~For any abandoned motor vehicle ~~not~~valued at more than ~~seven model years of~~
2 ~~age~~one thousand dollars taken into custody by a unit of government and not reclaimed
3 under section 23.1-15-06 ~~must be sold to the highest bidder at public auction or sale,~~
4 ~~following reasonable published notice. The purchaser must be given a receipt in a form~~
5 ~~prescribed by the department of transportation which is sufficient title to dispose of the~~
6 ~~vehicle. The receipt also entitles the purchaser to register the vehicle and receive a~~
7 ~~certificate of title, free and clear of all liens and claims of ownership. The,~~ the license
8 plates displayed on ~~a~~the abandoned motor vehicle must be removed and destroyed
9 prior to the purchaser taking possession of the vehicle.and thereafter the unit of
10 government may:

11 a. Sell the abandoned motor vehicle to the highest bidder at public auction or sale,
12 following reasonable published notice. The purchaser must be given a receipt in a
13 form prescribed by the department of transportation which entitles the purchaser to
14 register the vehicle and receive a certificate of title, free and clear of all liens and
15 claims of ownership; or

16 b. Obtain a release from the department of transportation which is sufficient title to
17 dispose of the vehicle by a permitted scrap iron processor.

18 **SECTION 6. AMENDMENT.** Section 23.1-15-08 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **23.1-15-08. Disposal of abandoned motor vehicles not sold.**

21 When no bid has been received for an abandoned motor vehicle, the unit of government or a
22 commercial towing service that is a ~~licensed~~permitted scrap iron processor may dispose of ~~it~~the
23 abandoned motor vehicle pursuant to ~~contract under~~ section 23.1-15-09.

24 **SECTION 7. AMENDMENT.** Section 23.1-15-09 of the North Dakota Century Code is
25 amended and reenacted as follows:

1 **23.1-15-09. Contracts for disposalDisposal services - Issuance of licenses**permits by
2 **department of environmental quality - Reimbursement of units of government and**
3 **commercial towing services for costs.**

4 1. The department may issue a permit to any qualified scrap iron processor desiring to
5 provide its services under this section if the scrap iron processor meets the requirements
6 of this chapter and chapter 23.1-08.

7 4-2. ~~A unit of government may contract with~~use the services of any qualified licensedpermitted
8 scrap iron processor for collection, storage, incineration, volume reduction,
9 transportation, or other services necessary to prepare abandoned motor vehicles, scrap
10 tires, and ~~other~~ scrap metal for recycling or other methods of disposal. ~~The contract~~A unit
11 of government may authorize ~~the contracting a~~ permitted scrap iron processor to pay to
12 the owner of any abandoned motor vehicle an incentive payment for the abandoned
13 motor vehicle if it is voluntarily surrendered and delivered to the permitted scrap iron
14 processor. A unit of government may authorize a permitted scrap iron processor to
15 provide an incentive payment for scrap tires delivered to the permitted scrap iron
16 processor. For purposes of this section, an owner of an abandoned motor vehicle
17 ~~includes only~~ is the person that ~~has~~ owned and operated the vehicle for the person's
18 personal or business use.

19 2- ~~The department may issue a license to any qualified scrap iron processor desiring to~~
20 ~~participate in a contract under this section which meets the requirements for solid waste~~
21 ~~disposers established by the department.~~

22 3. ~~Before~~If a unit of government enters a contract with uses the services of a permitted scrap
23 iron processor ~~duly licensed by the department,~~ the department may review the contract
24 ~~to determine whether it conforms to the department's plan for solid waste disposal. A~~
25 ~~contract that does conform may be approved by the department. When a contract has~~

1 ~~been approved, the department may reimburse the unit of government for the costs~~
2 ~~incurred under the contract, including incentive payments authorized and made under the~~
3 ~~contract, subject to the limitations of legislative appropriations.~~

4 4. ~~Before a commercial towing service that is a scrap iron processor duly licensed by the~~
5 ~~department enters a contract with the department, the department may review the~~
6 ~~contract to determine whether it conforms to the department's plan for solid waste~~
7 ~~disposal. A contract that does conform may be approved by the department. When a~~
8 ~~contract has been approved, the~~The department may reimburse the~~a commercial towing~~
9 ~~service for the costs incurred under the contract~~that is a permitted scrap iron processor
10 in an amount determined by the department for towing and, up to thirty days of storage
11 ~~charges resulting from taking an abandoned motor vehicle into custody, and disposal of~~
12 an abandoned motor vehicle if the owner, lienholders, or secured parties of the
13 abandoned motor vehicle cannot be identified with reasonable certainty after a search of
14 the department of transportation records and publication as defined in subsection 2 of
15 section 23.1-15-05 subject to the limitations of legislative appropriations.

16 5. The department may remove any submerged vehicle:
17 a. Immediately if the owner, lienholders, or secured parties cannot be identified. The
18 department may use a commercial towing service that is a permitted scrap iron
19 processor to extract, tow, and dispose of a submerged vehicle.
20 b. Upon the owner's stated refusal to remove the submerged vehicle or after thirty days
21 from the submerged vehicle entering the water or being discovered in the water if
22 the owner, lienholders, or secured parties are identified after a search of the
23 department of transportation records. The department may use a commercial towing
24 service that is a permitted scrap iron processor for extracting, towing, and disposal

1 of a submerged vehicle. The department may seek reimbursement from the owner
2 for any costs related to extracting, towing, and disposal of the submerged vehicle.

3 5.6. The department may demand that a unit of government or a commercial towing service
4 that is a ~~licensed~~permitted scrap iron processor ~~contract for the disposal~~dispose of
5 abandoned motor vehicles, scrap tires, and ~~other~~ scrap metal under the department's
6 plan for solid waste disposal. ~~When~~If the unit of government or the commercial towing
7 service fails to ~~contract~~dispose of the abandoned motor vehicles, scrap tires, or scrap
8 metal within one hundred eighty days of the demand, the department, on behalf of the
9 unit of government or the commercial towing service, may ~~contract with~~use the services
10 of any permitted scrap iron processor ~~duly licensed by the department~~ for such disposal.

11 7. A reimbursement request must be made on a form available from the department and is
12 subject to the limitations of legislative appropriations and the department's discretion.

13 **SECTION 8. EMERGENCY.** This Act is declared to be an emergency measure.