

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2247
(Senators Thomas, Cory, Clemens)
(Representatives Grueneich, D. Ruby)

AN ACT to amend and reenact subsection 1 of section 39-05-05 and section 39-05-20 of the North Dakota Century Code, relating to obtaining a new vehicle certificate of title, an application for a certificate of title, and the removal of number plates on a vehicle.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 39-05-05 of the North Dakota Century Code is amended and reenacted as follows:

1. An application for a certificate of title must be made upon a form provided by the department and must contain all of the following:
 - a. A full description of the vehicle, including the name of the manufacturer, model year if the model year is known, either the engine, serial, or identification number, and any other distinguishing marks. The department ~~may~~shall assign a vehicle identification number for a vehicle not otherwise assigned a number or for a vehicle in which the identification number can not be located. The assigned number must be permanently affixed to the vehicle and the department may require ~~the vehicle be inspected~~the applicant to provide a photo of the vehicle identification number before issuing a certificate of title for the vehicle.
 - b. A statement as to whether the vehicle is new or used.
 - c. A statement of the applicant's title and the name and address of each lienholder in the order of priority.
 - d. The name and address of the person to whom the certificate of title must be delivered.
 - e. If applicable, a statement as to whether the vehicle is a specially constructed, reconstructed, or foreign vehicle.
 - f. The owner's legal name, as evidenced by a valid state-issued driver's license, identity card, or any other documentary evidence that confirms to the satisfaction of the director the true identity of the owner, street address, city, and county, or township and county, of residence. When two or more owners are designated, at least one of the owners must comply with the identification requirement of this subdivision and all names used must be legal names. A dealer shall make specific inquiry as to this information before filling in the information on the application.
 - g. The department may require odometer disclosure information as required under the Truth in Mileage Act of 1986 [Pub. L. 99-579].
 - h. Any other information required by the department.

SECTION 2. AMENDMENT. Section 39-05-20 of the North Dakota Century Code is amended and reenacted as follows:

39-05-20. Transferee may obtain new certificate of title upon inability to obtain old certificate - Proof of ownership - Appeal.

1. When the transferee of a vehicle is unable to obtain a properly assigned certificate of title for a vehicle, and makes application for a new certificate and presents satisfactory proof of ownership, the department may cancel the old certificate and issue a new certificate to the transferee, provided that the department may not issue a certificate of title for a manufactured home with respect to which there has been recorded an affidavit of affixation under section 47-10-27. Except as otherwise provided by this subsection, satisfactory proof of ownership must include compliance by the transferee with the procedures outlined in title 35.
 - a. If the transferee is an insurer that has paid a total loss claim on a vehicle but the payment has not satisfied all liens of record on the vehicle, the transferee is not required to comply with the procedures outlined in title 35 to establish satisfactory proof of ownership and the department may cancel the old certificate of title and issue a new certificate to the insurer free and clear of all liens and claims of ownership.
 - b. If the transferee is a tax exempt organization under section 501(c)(3) of the Internal Revenue Code [26 U.S.C. 501(c)(3)] to which a vehicle has been donated, the transferee shall provide an affidavit providing proof the vehicle was donated.
 - c. If the transferee is a licensed motor vehicle dealer that, at the request of an insurer, took possession of a vehicle that is the subject of an insurance claim but for which a total loss claim is not paid by the insurer and the vehicle has been in the possession of the dealer for more than thirty days, the necessary satisfactory proof of ownership includes only proof the dealer made at least two written attempts by certified mail with return receipt addressed to the owner of record and any known lienholder to have the vehicle removed from the dealer's facility, upon payment of applicable charges. If satisfactory proof of ownership is established, the department may cancel the old certificate of title and issue a new certificate to the licensed motor vehicle dealer free and clear of all liens and claims of ownership.
 - d. If the transferee is ~~an individual~~ a person and the vehicle is less than forty years old at the time of the application, satisfactory proof of ownership must include that the transferee has paid for the vehicle, and that the transferee made at least two written attempts by certified mail with return receipt addressed to the owner of record and any known lienholder to obtain the certificate of title. If satisfactory proof of ownership is established, the department shall cancel the old certificate of title and issue a new certificate to the ~~individual~~ person, subject to any existing lien.
 - e. If the transferee is a person and the vehicle is more than forty years old at the time of the application, satisfactory proof of ownership is established by a bill of sale or affidavit of ownership. An affidavit of ownership created by the department under this section must have the option for an applicant to provide a vehicle purchase price. If satisfactory proof of ownership is established, the department shall cancel the old certificate of title and issue a new certificate to the person, subject to any existing lien. When valuing a vehicle transferred under this subdivision, the department shall use the sale price on the bill of sale if a bill of sale is presented. The department may only request an appraisal of the vehicle if a bill of sale is not presented to the department. A transfer under this subdivision is exempt from subsection 1 of section 39-04-36.
2. The department may establish procedures for determining satisfactory proof of ownership of a vehicle in those cases when the department is unable to determine the legal owner of record. The procedures may include determining the validity of any liens on a certificate of title. Any person aggrieved by a decision of the department as to ownership of a vehicle may appeal that decision to the district court under chapter 28-32.

3. A person holding a certificate of title whose interests in the vehicle have been extinguished or transferred other than by voluntary transfer shall mail or deliver the certificate to the department upon request of the department. The delivery of the certificate pursuant to the request of the department does not affect the rights of the person surrendering the certificate. The action of the department in issuing a new certificate of title as provided herein is not conclusive upon the rights of the owner or lienholder listed in the old certificate.
4. If the department can verify the ownership of a vehicle and the vehicle has a vehicle identification number, the vehicle may be transferred under this section regardless of the condition of the vehicle.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2247.

Senate Vote: Yeas 47 Nays 0 Absent 0

House Vote: Yeas 94 Nays 0 Absent 0

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State