

**Prepared Testimony Before The
Transportation Committee
Honorable Dan Ruby, Chairman**

Regarding

HB1155

Respectively Submitted By:

**Roger Gazur
706 10th Street
Beulah, ND 58523**

January 14, 2025

Personal:

My name is Roger Gazur. I live in Beulah, ND and have done so since 1978. I have been a car enthusiast since the age of eleven and even now at the age of 72 am active in the hobby. As part of the hobby I have frequently interacted with the North Dakota Department of Transportation – Motor Vehicle Division.

Discussion:

HB1155 seems to be intended to streamline the procedure for car enthusiasts to acquire titles for untitled vehicles. I respectfully submit that if indeed this is the goal, it is not meeting it.

There has been an ongoing dialogue between the North Dakota Department of Transportation – Motor Vehicle Division (NDDMV) and car enthusiasts for decades when it has come to acquiring titles for untitled vehicles. The process used to be somewhat straightforward when one could go to the court, (in my case, Stanton, ND) argue your case before the judge, and he could, and would, make the determination if your claim was valid. I personally have two titles for vehicles I bought without titles that I acquired using this method.

The obvious question is “why would someone buy a car without a title?” It basically boils down to two reasons.

- 1) The car is purchased as a body to be used for parts for other similar vehicles.
- 2) The care is purchased as it is desirable from some standpoint: options, rarity, and simple desirability, the “I had one in high school” reason.

The more important issue is, how do cars end up without titles? There are a number of reasons.

- 1) The car is stolen. This happens and there is no denying it.
- 2) The car is abandoned and there is no record of the owner.
- 3) The owner has passed and the title can't be retrieved.

In many cases of abandonment, the car is sitting in some tree row or field and has deteriorated until it is a shell.

Now some of the Committee might ask why one can't just go to the NDDMV and find if a title exists? Two reasons:

- 1) Federal law prohibits directly releasing any DMV records to the public on a vehicle.
- 2) The NDDMV is purging titles from its database such that the title may no longer exist.

I was the victim of 2) within the last year. I had a car that I had a title for but had not registered for a number of years. I went to the NDDMV branch office in Beulah, with title in hand, and asked to register my car. The clerk examined the title, input some data into her terminal, and told me that there was no record of the title and that I would have to apply for a "lost title". I told her that I had the title in hand, how could it be lost? Only after much back and forth and two phone calls to Bismarck was the situation resolved.

The only option currently available to enthusiasts for cars without titles is to use the procedure in "UNTITLED VEHICLES 37-12-04-01 (NDAC)" which was implemented in September 17th, 2023. I will not include the procedure with this testimony as it is readily available to anyone via the internet at

<https://www.dot.nd.gov/sites/www/files/documents/Motor%20Vehicle%20Services/Untitled-Vehicle-Instructions.pdf>

The procedure seems straightforward but implementation has been problematic for two significant reasons.

- 1) Part of the Untitled Vehicles procedure is "SFN 2888 Seller's Certificate and Vehicle Bill of Sale". This assigns responsibility to the owner (Seller) for documentation as to the status of the vehicle. I would recommend deleting this requirement in its entirety and substituting an alternative. In many cases the owner simply isn't available for a number of reasons, the owner is deceased or the owner has disappeared. It would be more workable and straightforward if the responsibility for the vehicle status was assigned to the Buyer (current owner). If there were future problems of any kind with the vehicle, the Buyer would be responsible. This responsibility could be accomplished by a simple notarized "Statement of Facts" form that the

NDDMV would develop requiring the Buyer to legally swear as to the reason no title currently exists and that he/she is the legitimate owner and why. Perjury on this form would carry a penalty to control fraudulent use.

- 2) There is no time limit for the NDDMV to respond. I know of two lost title instances where the NDDMV took months without coming to a decision. In the interim the NDDMV demanded more and more information outside of the scope of the Lost Title document. Only after both of these applicants involved their State Representatives was the situation resolved.

Conclusion:

A true solution to the problem would address the concerns outlined above. I would be so bold as to suggest that HB1155 be modified as follows:

All references to a “certificate of collector's title” is changed to “certificate of title”. There is no need to make this more complicated and confusing than it already is. Adding a new class of title would do just that.

Where “may” is used for certain activities, “shall” has been substituted. Any procedure should not be administered in an arbitrary and capricious manner and this change would assist in achieving that goal.

Item 1: Change the language as such;

“Notwithstanding sections 39-05-20 through 39-05-20.4, the department shall issue a certificate of title to an owner of a rebuilt, reconstructed, salvaged, antique, or vintage motor vehicle upon application and satisfactory proof of ownership.”

(The need for an inspection is crucial to documenting that a car is indeed what it is being presented to be.)

Item 2: Change the language as such;

“The department shall establish a procedure for determining satisfactory proof of ownership of a motor vehicle in those cases when the department is unable to determine the legal owner of record. This procedure shall place the

burden of proof on the Buyer of a vehicle rather than the Seller, both referenced in “UNTITLED VEHICLES 37-12-04-01 (NDAC)”. Any person aggrieved by a decision of the department as to ownership of a motor vehicle may appeal the decision to the district court under chapter 28-32.”

Item 4: Delete the language as such;

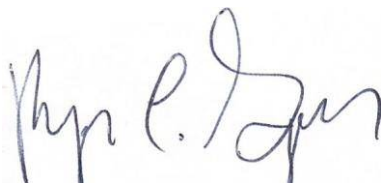
The deleted text makes no sense. Why would someone invest time and money into refurbishing a vehicle only to be prevented from operating it?

Add Item 6 to read:

“The department shall have six (6) weeks from the date of application submittal to render a decision on that application. That decision to be based on the criteria outlined in any procedure the department shall establish. If the department has not reached a decision after six weeks have elapsed, the application for a lost certificate of title shall be automatically granted.”

I have attached a marked-up copy of HB1155 reflecting the changes I’ve outlined. I apologize for the crude formatting but I do not possess software that allows me to cleanly edit *.pdf documents. Thank you for your time and consideration.

Respectfully:

A handwritten signature in blue ink, appearing to read "Roger E. Gazur". The signature is fluid and cursive, with the first name "Roger" and last name "Gazur" clearly distinguishable.

Roger Gazur
January 14, 2025

HOUSE BILL NO. 1155

Introduced by

Representatives Tveit, Bosch, Heinert, D. Ruby, Weisz, Dressler, Klemin

Senators Barta, Lemm, Thomas

1 A BILL for an Act to create and enact section 39-05-20.5 of the North Dakota Century Code,
2 relating to a certificate of collector's title; and to provide a penalty.

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

4 **SECTION 1.** Section 39-05-20.5 of the North Dakota Century Code is created and enacted
5 as follows:

6 **39 -05 -20.5. Certificate of collector's title - Penalty.**

- 7 1. Notwithstanding sections 39 -05 -20 through 39 -05 -20.4, the department ~~may shall~~ issue a
8 certificate of ~~collector's~~ title to an owner of a rebuilt, reconstructed, salvaged, antique,
9 or vintage motor vehicle upon application and satisfactory proof of ownership, ~~without~~
10 ~~a certificate of inspection.~~
- 11 2. The department ~~may shall~~ establish a procedure for determining satisfactory proof of
12 ownership of a motor vehicle in those cases when the department is unable to
13 determine the legal owner of record. ~~This procedure shall place the burden of proof on~~
14 ~~the Buyer of a vehicle rather than the Seller both referenced in "UNTITLED VEHICLES~~
15 ~~37-12-04-01 (NDAC)~~. ~~Any person aggrieved by a decision of the~~
16 department as to ownership of a motor vehicle may appeal the decision to the district
17 court under chapter 28 -32.
- 18 3. The applicant for a certificate of ~~collector's~~ title shall include with the application a
19 ten dollar fee for the certificate.
- 20 4. A certificate of ~~collector's~~ title allows the owner of the motor vehicle to reconstruct,
21 rebuild, and sell the motor vehicle. ~~An owner issued a certificate of collector's title may~~
22 ~~not operate the motor vehicle on any highway, street, or road. A violation of this~~
23 ~~subsection is a class A misdemeanor.~~
- 24 5. The department may not issue a certificate of collector's title if:
a. The application contains any false or fraudulent statement;

- 1 b. The applicant has failed to provide the required information or reasonable
- 2 additional information requested by the department;
- 3 c. The department has reason to believe the vehicle is a stolen or embezzled
- 4 vehicle or the granting of title would constitute a fraud against the rightful owner
- 5 or other person having valid lien upon the vehicle;
- 6 d. The certificate of title is suspended or revoked for any reason;
- 7 e. The required fee has not been paid; or
- 8 f. Any sales tax or motor vehicle excise tax, properly due, has not been paid.

6. The Department shall have six (6) weeks from the date of application submittal to render a decision on that application. That decision to be based on the criteria outlined in any procedure the department shall establish. If the department has not reached a decision after six weeks have elapsed, the application for a lost certificate of title shall be automatically granted.