**2025 SENATE TRANSPORTATION** 

SB 2247

# 2025 SENATE STANDING COMMITTEE MINUTES

# **Transportation Committee**

Fort Totten Room, State Capitol

SB 2247 1/31/2025

Relating to obtaining a new vehicle certificate of title and the removal of number plates on a vehicle.

9:05 a.m. Chairman Clemens opened the meeting.

Members present: Chairman Clemens, Vice Chairwoman Cory, Senator Hogan, Senator Klein, Senator Paulson, Senator Rummel

# **Discussion Topics:**

- · Current process of obtaining a new title
- Fraud occurrences and stolen vehicle data
- Vehicles covered under SB 2247

9:05 a.m. Senator Thomas, District 6, introduced SB 2247, testified in favor and submitted testimony #33161 and #33162.

- 9:17 a.m. Warren Heidenrich testified in favor.
- 9:20 a.m. Robert Honrud testified in favor.
- 9:27 a.m. Richard Johnson testified in favor and submitted testimony #32757.
- 9:37 a.m. LeRoy Rude, Member, Hills and Plains Car Club, testified in favor and submitted testimony #33169.
- 9:40 a.m. Brian Chaska, Owner, Chaska's Classics, testified in favor.
- 9:42 a.m. Richard Sundhagen, Owner, Dick's Auto, testified in favor and submitted testimony #32770.
- 9:47 a.m. Roger Gazur, Member, Early Iron Rodders Club, testified in opposition and submitted testimony #32879.
- 10:00 a.m. Melyssa Diebold, Assistant Director of Customer Operations, NDDOT, testified in neutral.

### Additional written testimony:

David Alberts submitted written testimony in favor #32996.

George Masters submitted written testimony in favor #33082.

Karen Czaplewski submitted written testimony in favor #33113.

Senate Transportation Committee SB 2247 January 31, 2025 Page 2

Ron Carlson, Ron's Restoration, submitted written testimony in favor #33119.

Victor Bryans submitted written testimony #33129.

Myron Langehaug submitted written testimony #33170.

Robert Nostdahl, Member, Bottineau Car Club, submitted written testimony #33174.

Gregory Bell submitted written testimony #33175.

Brent Christenson, Career Agent, Nodak Insurance, submitted written testimony in favor #33176.

Tim Semler submitted written testimony in favor #33177.

Lois Raymo submitted written testimony in favor #33178.

Ann Monson, Treasurer, Bottineau County, submitted written testimony in favor #33179.

10:07 a.m. Chairman Clemens closed the hearing.

Chance Anderson, Committee Clerk

# Senate Bill 2247

I am testifying in favor of SB 2247 because it is promoting changes that are necessary and crucial to those of us who are involved in the old car restoration and hot rod building hobby. We now have real problems in getting titles for old vehicles. Some vehicles we have owned for many years and some we have acquired lately, and legally, but the owner no longer has a title. The passage of time since the vehicle was parked, and basically abandoned, has made it likely that the title has been lost or destroyed. The titling process in past years was not anywhere near as complicated or restrictive as it has become currently. Not having a title was not a huge factor when buying an old basically abandoned vehicle because getting a new title was accomplished by simply filling out a couple of documents for DMV and having a ND Highway Patrolman come out and verify the VIN number and do a safety inspection to see that it was roadworthy. That whole process was done after the old vehicle was rebuilt. With the current DMV process, we certainly can't even begin to start rebuilding the vehicle because after a big investment DMV may decide we won't be getting a title. The process has grown from two pages, and the inspection, to over 10 pages of documents, a VIN inspection by a certified auto repair shop, photographs of the VIN and several of the vehicle, a national search of stolen vehicle records, a search of interstate registrations, and then yet another safety inspection when completed. All that, and usually a disagreement with DMV as to the value as stated by the owner, and then sometimes a denial of a title anyway because some minor detail didn't meet what they demanded.

Although SB 2247 states the DMV will accept the purchase price stated on a bill of sale for tax purposes, I think the vehicles owned for many years and without bills of sale should be accepted with a current value estimated by the owner and not have to be appraised. If the required pictures of the vehicle make the vehicle's value look much greater than represented, the DMV could then require an appraisal. There are very few people who would be qualified to appraise a vehicle that is not complete and in rough condition and in various stages of disrepair. An appraisal would also be very expensive on lower value cars in this condition. Estimated values would be all over the scale and not uniform. I hope this system could be implemented before the bill reaches final vote.

We had a meeting with ND DMV officials and Senator Paul Thomas and over 20 people involved in the old car hobby to try to find ways to improve the titling process for this type of old vehicles. It should be done more easily with a less burdensome process and still be satisfactory with DMV. The DMV officials agreed that there are problems and they would come up with a plan in about 3 months. After the 3 month wait, we had a negative response for <u>any</u> changes from DMV. They told us their legal advisors said any changes could MAYBE open the door to fraud. In my opinion, this means that ALL of us who do this honestly and fairly are being penalized because "SOMEONE MIGHT" use the process to break the law. Those who do break the law should be penalized, not all of us. In my opinion, this is not what our system was founded on and is not based in good faith. I believed we were innocent until proven guilty? By current DMV policy, it seems we have to prove we didn't steal the car and then go through all these steps to further prove it, when it was a simple deal between a willing buyer and a willing seller of an old vehicle. I do understand that DMV has a job to do, but they should be able to work with the changes presented in this bill. Please vote to pass this bill to help correct some of the problems with the current titling process. Thank you.

Richard H. Johnson 3289 104<sup>th</sup> ST NE Dunseith ND 58327

(701) 228-4350 Email: djcars@srt.com

# Senate Bill 2247

My name is Richard Sundhagen from Minot, ND and I am writing in support of HB 2247 . A group of us have been working with Senator Thomas and have been reviewing some of the DMV issues in North Dakota.

First of all I will let you know I have read the letters from Richard Johnson, LeRoy Rude and Karen Czaplewski and I am in total agreement with all of their concerns and issues. Being those are addressed and we do have time constraints, I am going to address another issue but will field any questions you may have on the issues they brought up.

One of my concerns is 39-05-17 of the ND Century Code pertaining to transfer of Titles. Certain employees at DMV have decided to interpret the "if" as a "shall" as stated in line 2 and 3 and have now decided that in North Dakota no one can sell a vehicle without a Title. That means that if you have a car or pickup on your farm that some hired hand left there 30 years ago, it is illegal to sell that to your neighbor for parts. Seems like common sense should kick in somewhere. DMV will request a Bill of Sale from basically "anyone" and you can go through the Title creation process. That "anyone" need not own the vehicle. To go a step further, DMV will no longer accept a notarized Bill of Sale from an auction because the auction does not own the vehicle. It's hard to follow the thought process on this but that is the way it is. I would like to see a line 6 added to 39-5-17 stating: In lieu of a Title, vehicles can be sold with a Bill of Sale even if they need total restoration and are running or not. They can be weathered and/or stripped to the point of only being useful for parts or total restoration as long as ownership can be verified. Something along these lines would be very helpful.

Two other areas of concern are 39-05-05 of the Century Code and 39-21-52 . Senator Thomas may have already addressed these concerns but if not they are included.

Thank you,

**Richard Sundhagen** 

6810 Highway 2 & 52 West

Minot, ND 58703

39-21-52. Exemption for certain street rod, collector or special interest motor vehicles. The provisions of this chapter or chapter 52-04-01 of the North Dakota Administrative Code relating to bumpers, tires and fenders do not apply to street rod, collector or special interest motor vehicles. However, a street rod, collector or special interest vehicle must have all equipment, in operating condition, which was specifically required by law as a condition for its sale when it was first manufactured. A street rod, collector or special interest vehicle is a moderized motor vehicle which was manufactured before 1949 by a recognized manufacturer and which retains the general appearance and original body configuration as manufactured or a motor vehicle designed and manufactured to resemble such a motor vehicle. A street rod, collector or special interest vehicle may have improved modifications to the body, chassis, engine, brakes, power train, steering, and suspension systems either by modifying the original equipment or replacing original parts with fabricated parts or those taken from other existing vehicles. This streetrod, collector or special interest motor vehicle must be at least 40 years old. The director may adopt rules to implement this section.

# 39-05-05. Application for certificate of title - Contents - Fee.

- 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, 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 one that cannot be located. The assigned number must be permanently affixed to the vehicle and the department may require the vehicle be inspected before issuing a certificate of title for the vehicle.

# Prepared Testimony Before The Senate Transportation Committee Honorable David A. Clemens, Chairman

Regarding

**SB 2247** 

**Respectively Submitted By:** 

Roger Gazur 706 10<sup>th</sup> Street NE Beulah, ND 58523

**January 31, 2025** 

### **Personal:**

My name is Roger Gazur. I live in Beulah, ND and have done so since 1978. I am a member of the Early Iron Rodders Car Club in Beulah and have been a car enthusiast since the age of eleven. I am joined in this testimony by Richard Simenson a lifelong resident of Zap, a member of the Early Iron Rodders Car Club and an accomplished car builder who has built a number of cars from junk. I am also joined by Jeff Walker, a lifelong resident of Beulah who is a nationally recognized authority on Edsel automobiles, another member of the Early Iron Rodders Car Club and a co-owner of J&J Restoration and Repair in Hazen, a nationally recognized restoration firm.

# **Discussion:**

SB2247 contains four revisions to the NDCC. I'd like to go through them individually.

Page (1) Lines 9 and 10: We are neutral on this revision.

Page (2) Lines 20 and 21: We are neutral on this revision.

Page (3) Lines 17 to 19 inclusive: We fully support this revision. For those of us that rebuild automobiles we rarely, if ever, purchase finished cars. We buy what is commonly termed "project cars". Well, what is a project car? A project car typically is not complete. It may be missing minor items such as trim or accessories or it may be missing major components such as glass, sheet metal, interior, powertrain, it could be anything. Our position is that if a carcass has a VIN (Vehicle Identification Number), then it is a car regardless of how complete it may or may not be. I personally know of one instance when an enthusiast bought a project car with the body on his trailer and his pickup filled with all the front end sheet metal and other parts to the car. He took photographs of the car body as per the MVD (Motor Vehicle Division) procedure. When he applied for a title the MVD clerk informed him that she would not even consider his application as, based on the photos, "we only title cars, not parts". So the applicant took all of the sheet metal, just sat it on the body, and took additional pictures. Now the application was accepted, even though nothing really had changed. This revision addresses this situation and again, we fully support it.

Page (2) Lines 27 to 31 inclusive and Page (3) Lines 1 to 3 inclusive: We oppose the language in the bill and offer the following revisions.

- a) Page 2, Line 28: Add "when the department is unable to determine the legal owner of record,". If the department can determine the legal owner of record, there is no need for this procedure, thus we believe this caveat should be added.
- b) Page 2, Line 28 and 29: Remove the requirement for a bill of sale. We oppose requiring a bill of sale for many reasons. It places the responsibility for ownership, for the purposes of titling, on the seller and not the buyer. In many cases the current owner has no history on the vehicle and could care less. As such they are reluctant to claim they are the owner when the ownership is murky. I personally had a seller refuse to sell to me when I asked for a bill of sale as he didn't want the liability that goes along with a bill of sale. We believe that proof of ownership rests with the buyer (applicant) and that the applicant should be liable for any future challenges to the ownership of the vehicle. Now some may argue that as the verbiage is bill of sale OR statement of ownership there is no need to eliminate the bill of sale. We disagree. We can easily see the MVD offices using this option to dismiss a statement of ownership and demand a bill of sale. Eliminating the bill of sale option removes potential abuse.
- c) Page 2, Line 29, 30, and 31: We are opposing two items in this area. We may be misreading the bill but this section states "If satisfactory proof of ownership is established the department shall cancel the old certificate of title and issue a new certificate to the individual, subject to any existing lien." We are under the impression that the goal here was to revise the procedure for titling vehicles that do not have current titles. This concerns us that this appears to be a procedure to legally reassign a title for a vehicle that currently has an owner of record. If this is the intent, we strongly oppose this.

We are also concerned that this section appears to be in conflict with Page 1, Lines 15 through 18 in that this section uses the term "may" and Page 2, Line 30 uses the term "shall" for the same activity. Again, we may be misreading this but we see the potential for confusion in this area.

d) Moving forward, we would also recommend putting a time limit on the response from the MVD. I personally know of two instances where applications for a lost title descended into "MVD purgatory" where, after months of delay, the MVD still hadn't come to a decision on the application. In both cases, only after the applicants got their elected state legislators involved were the cases completed. Applicants shouldn't have to resort to this.

In conclusion, if our recommendations are implemented, Page 2, Line 27 though Page 3, Line 3 would read:

If the transferee is an individual and the vehicle is more than forty years old at the time of the application, when the department is unable to determine the legal owner of record, satisfactory proof of ownership is established by a bill of sale or statement of ownership and any other requirements the department deems necessary, other than a Bill of Sale. If satisfactory proof of ownership is established the department shall eance! the old certificate of title and issue a new certificate to the individual, 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 statement of ownership. The department may only request an appraisal of the vehicle if a bill of sale is not presented to the department if it has legitimate cause to do so. The department shall have 60 days from the date of the transferee's application to issue a certificate of title or deny the application for legitimate cause.

This concludes my testimony. Thank you for your time.

Respectfully:

Roger Gazur January 31, 2025

My P. Jan

As a car hobbyist I am in favor of this legislation. I feel motor vehicle has made it very difficult to get a title for an old vehicle. There is already a state form SFN 2903 Statement of Ownership that with a small change in wording on the top line could easily be used for a vehicle that is at least 40 years old. This form already puts all liability on the person filing it by having it notarized.

David Alberts Minot I want to show support for this bill. We run into this 'issue' quite often where a person has had a car for a long time, maybe in a field, or a neighbor's field, where it is either abandoned or just 'given' away. Believe it or not, some people just give them away.

I also feel that the statement that the ND DMV will not assign a VIN for manufactured vehicles, is very cumbersome. The early Ford's, for instance have VIN's on the engine (which is usually gone) and/or on the top of the frame. These are usually rusty and unreadable or not accessible without removing the body from the chassis. The wording about 'Manufactured vehicles' needs to be re-considered.

This Bill gets things moving in the right direction. I support it and applaud everyone involved who is trying to make the reality of things as we run into them, better.

George Masters

Minot, ND

March 17, 2024

To Whom it May Concern.

Re: Titling of old vehicles in ND

We are writing this letter with the hope that laws, procedures, and practices related to titling of old vintage, to be restored, untitled vehicles can be modified. We want to share our experience with someone who has the authority or power to initiate change for a process that is possible to accomplish by the owners of vintage vehicles and taxpayers of ND.

For twenty plus years I, Thomas, owned TAC Radiator in Minot, ND (1975-1997). I have always loved, owned, and restored vintage vehicles my entire life. When I was in the business of radiator repair, one of my primary customers were farmers/ranchers. Hundreds of times over the twenty plus years, I would purchase old vehicles that these customers had parked in their tree rows. Also, just prior to purchasing the Radiator Shop, we purchased a 20-acre farmstead that had approximately 30 vintage vehicles in a tree row. Many of these vehicles had no titles available from the owners.

Over the years I transported these vehicles to a 10-acre piece of land that I purchased. Every time I needed a title for one of these vehicles to restore, I would contact the ND Highway Patrol and they would come to this location and complete paperwork that allowed me to obtain a title for the vehicle. This continued for years.

Then, approximately fifteen years ago (estimate), I was told that I needed a substantial amount of paperwork completed certifying why I did not have a title. I also needed to have an Auto Repair Shop registered with the Secretary of State that would certify that the vehicle was road worthy and safe to drive. I had to include a copy of the firm's Secretary of State certificate and several VIN checks to show there was no existing title on file. Of course, this all came at a cost to me.

Shortly before I turned 80 and was having numerous health problems and I determined I was never going to restore the hundreds of vehicles I owned. My spouse, son and I decided there were a select few we could restore, and the rest were desirable to old car buffs, and I should sell these vehicles. My spouse contacted the DOT to determine what was needed. She learned all the forms that were needed were nearly the same as the last time we followed this procedure, with only some more recently dated forms from DOT. We chose approximately fifteen of the vehicles to title and sell. We hired the repair garage owner and paid him to come and look at the vehicles and fill out the certifications at a cost of \$100 per vehicle. We submitted all the required paperwork.

After many weeks of waiting, we received a letter that stated the law had changed during the interim period from start to finish; that required me to obtain a court order that

I owned these vehicles! My spouse phoned ND MVD/DOT and talked to a supervisor. She was told there was nothing she could do, and they needed a court order. So, we hired an attorney. We did a significant amount of writing for the court and to tell my story. Then waited months for a court order for these fifteen vehicles. My cost...... just shy of \$2,000. I estimate this took approximately six months of time from start to finish.

We then prepared all new documents and submitted them with the proper fees and the court order. We waited weeks and then my spouse phoned the NDDOT. She was informed they were weeks behind and it might be longer. When the person informed my spouse what dates she was working on, my spouse told her our paperwork was submitted weeks before that. She checked the files and said a letter went out to me on one of the vehicles many days before this call. She read the letter from the file and we were totally dismayed! Now, we were told I needed a licensed car dealership to come and look at the vehicle and certify that I had the correct value on each vehicle!

My spouse asked for a manager to inquire why we were not told this at the same time we were informed that we needed a court order saying I owned the vehicles. Again, we were told, "Sorry, but that is the law."

This occurred about a year ago and the DOT succeeded in wearing us down! I was so angry; I could not deal with it. Eventually all my documents were received back, but it was long after my phone call to DOT. So, I know by postmark they were still in that office when I phoned. I would ask that after going through all of this, someone with some authority allow me to obtain titles for these vehicles. Now at 81½ I still have friends who are alive that know I purchased all these vehicles more than twenty years ago and they are not concealed as stolen property. Additionally, you would certainly think that there would be some way to obtain titles on vehicles that are more than thirty years old that is not so overly burdensome, onerous, expensive and takes and extraordinary amount of time.

My hope is to find individual(s) who take an interest in this and can implement laws/procedures that are more reasonable that allow us to title vintage vehicles.

Thomas A. Czaplewski

Karen M. Czaplewski

This is my testimony in favor of Senate Bill 2247 which is open for discussion. My question is how or why can't this process be simplified of titling a vehicle which supports a VIN? This process seams to get more complicated as time goes by for a simple request. Years back when a Highway Patrol officer would come out to do a VIN inspection/verification for a title, the process was simple & quick. This process was then turned over to the public sector to perform. I operate one of those businesses that do the inspections on behalf of the state of North Dakota, since this responsibility was removed from the Highway Patrol. The more forms and regulations that are being incorporated, are making this process confusing as everyone in the title process at the state & public level are not educated on the process to get a common response for titling. ND Department of Transportation has all the necessary forms (SFN). The buyer of the vehicle shall be held responsible for the documentation needed for titling, not the seller as they often hold possession but may not own the vehicle as per a document. The public's persona of the over value of older unrestored none operational vehicles is an illusion. As they have no idea of the cost to get a vehicle restored back to a safe roadworthy vehicle. SB 2247 is not perfect, but a good start with some wording changes. There is a need to simplify the title process.

On a personal note, I have been operating a vehicle restoration shop for over 25 years and have witnessed the title process become frustrating. I myself also do safety inspections on behalf of the National Street Rod Association, along with being the president of the North Dakota Street Rod Association over the past several years. I would ask for your support in simplifying this title process. Thank You!

Ron Carlson / Ron's Restoration 13111 69<sup>th</sup> St SE Lisbon ND 58054 701-683-5710 or rrtinwork@hotmail.com

### SB 2247

Being a car enthusiast has many different aspects. Some of us just like to go to the shows and watch the shows. While others like and enjoy either building from scratch or just working on the cars. But a problem has crept up in recent years. The process of acquiring a title in a situation where the title has been lost to time.

The process has become extremely complicated due to not having a consistent procedure from the dmv. It has become dependent on who you meet with and what they think about old cars. And over time, it has gotten more frustrating with the computer system because it gives the dmv a reason not to pursue the original title in the archives.

My opinion on the matter is that if the dmv had been acting in good faith, we would not be in front of this committee asking to make legislation to protect the rights of the classic car community. This bill is an important first step to simplify the process.

Thanks for your time, Victor Bryans

### AFFIDAVIT OF OWNERSHIP

North Dakota Department of Transportation, Motor Vehicle SFN XXXXX (XX-XXXX)

MOTOR VEHICLE DIVISION ND DEPT OF TRANSPORTATION 608 E BOULEVARD AVE BISMARCK ND 58505-0780 Telephone (701) 328-2725 Website: https://dot.nd.gov

This form shall be used only for proof of ownership for vehicles more than 40 years old for which no Manufacturer's Statement of Origin, Bill of Sale, or Title is being submitted with the application. The subscriber herein, subject to the penalties of law, is the owner of the following described vehicle:

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Year	Make	Model			Body Style	
Vehicle Identification Number		Color		Fuel Type		Weight
Purchased From					Date Purcha	ased
Explain how you	u came into possession of this vel	nicle:				
	All Property of the Control of the C					
3						
		Variable Variable				
Applicant's Legal Name		Check O	Check One			Telephone Number
Mailing Address		City			State	ZIP Code
Liens and Encu	mbrances (Title will be mailed to	ienholder)		b		
Mailing Address		City			State	ZIP Code
expenses of and a subjected on acco	d said Title, and to not only save harr gainst all suits, actions, claims, losse unt of any defect in my Title to the ve le by the North Dakota Department of	s, or assertion of claims in hicle in question, but also t	cluding costs, exp	enses, and attorn	ey fees to whi	ch the department may be
Name (Type or	Print)	Legal	Signature of Ov	vner (sign befor	e a Notary P	ublic or Authorized Officer)
		Acknowle	edament			
State of			-ugo			
County of						
Signed and sw	orn to (or affirmed) before me	And the contract of the contract of	n, day, year)			
Name of Notary	Public or other Authorized Office			Affix	Notary Stam	
Signature of No	tary Public or other Authorized Of	ficer				
Commission Ex	piration Date (if not listed on stam	p)				

25.0604.01001 Title.

Sixty-ninth Legislative Assembly of North Dakota Prepared by the Legislative Council staff for Senator Thomas
January 29, 2025

# PROPOSED AMENDMENTS TO

### ...

**SENATE BILL NO. 2247** 

Introduced by

Senators Thomas, Cory, Clemens

Representatives Grueneich, D. Ruby

A BILL for an Act to amend and reenact subsection 1 of section 39-04-36 subsection 1 of section

39-05-05 and section 39-05-20 of the North Dakota Century Code, relating to obtaining a new

3 vehicle certificate of title, an application for a certificate of title, and the removal of number

4 plates on a vehicle.

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

SECTION 1. AMENDMENT. Subsection 1 of section 39-04-36 of the North Dakota Century

Code is amended and reenacted as follows:

1. Whenever the ownership of a vehicle registered under the provisions of this chapter, chapter 39-18, or chapter 39-29.2 is transferred or assigned, the registration of the vehicle expires and the transferor shall remove the number plates, unless the number plates have not had valid registration for ten years.

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

- 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, either the engine, serial, or identification number, and any other distinguishing marks. The department mayshall 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

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1		vehicle and the department may require the vehicle be inspected before issuing
2		certificate of title for the vehicle.
3	<b>b.</b>	A statement as to whether the vehicle is new or used.
4	c.	A statement of the applicant's title and the name and address of each lienholder
5		in the order of priority.
6	d.	The name and address of the person to whom the certificate of title must be
7		delivered.
8	е.	If applicable, a statement as to whether the vehicle is a specially constructed,
9		reconstructed, or foreign vehicle.
10	f.	The owner's legal name, as evidenced by a valid state-issued driver's license,
11		identity card, or any other documentary evidence that confirms to the satisfaction
12		of the director the true identity of the owner, street address, city, and county, or
13		township and county, of residence. When two or more owners are designated, a
14		least one of the owners must comply with the identification requirement of this
15		subdivision and all names used must be legal names. A dealer shall make
16		specific inquiry as to this information before filling in the information on the
17		application.
18	g.	The department may require odometer disclosure information as required under
19		the Truth in Mileage Act of 1986 [Pub. L. 99-579].
20	h.	Any other information required by the department.
21	SECTION	N 2. AMENDMENT. Section 39-05-20 of the North Dakota Century Code is
22	amended and	d reenacted as follows:
23	39-05-20	. Transferee may obtain new certificate of title upon inability to obtain old

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 an individuala 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 statementaffidavit 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 individual 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, any vehicle with a vehicle identification number may be transferred under this section regardless of the condition of the vehicle.

### Senate Bill 2247

Chairman and senators of the transportation committee, thank you for serving the citizens of North Dakota.

My name is LeRoy Rude. I live in the Turtle Mountains near Bottineau North Dakota.

My story starts about two years ago when I was going to restore a vehicle I had in my pasture for the last 50 years. I got this and another vehicle from a neighbor when I was in my teens or early 20s. He passed away 10 years later or 40 years ago. Not sure if I got a title or not, with the vehicles but right now, there is no title to be found. I went into the Bottineau DMV and told them my situation. They were very nice, and with a smile presented me with what they call a packet, which contains 11 pages. Two of them were directions, and nine forms to fill out-plus I had to send two photos: one of the vehicle, and the other of the VIN plate. I mailed the forms with an explanation of why I couldn't produce a bill of sale (because the seller had passed away 40 years prior) and the check for the fees they required.

A few days later, I received the documents back with a letter indicating that additional information was required. Firstly, the application was not signed. Secondly, "the bill of sale must be signed by the seller and notarized."

I signed the form that I had forgotten to sign, but the notarized bill of sale is the problem. I explained to them again that the seller had passed away 40 years prior. I could very easily have had my son sign a bill of sale and have it notarized, end of problem. But I told the truth and sent the form in again. Another few days passed, and I received everything back again, with a letter stating that because I could not provide a notarized Bill of Sale, my process was not valid. The letter then goes on to say, "a court order would be required to have a judge award you the vehicle".

So, I went to the Clerk of Courts office in Bottineau to see what the process would be. They had never heard of this before. OK. I called the DMV in Bismarck and asked them what the process was. She told me they would send me the information. A few days later, I received a large envelope in the mail with 22 pages of forms and instructions. I just shook my head. Later, I was visiting with a couple guys that had went through the process to get a court order, and they told me it would cost me between \$1,500-\$3,500 to get an order and that didn't guarantee I would get one.

This is when I said there needs to be some changes. So, I started the process and now with the help of many with similar problems, we have SB 2247, which you have in front of you.

Some additional thoughts:

- **#1. Statement of ownership.** Should be simple and to the point. I am swearing that I own this vehicle and that all the information is true and I have signed in front of a notary public. Then the DMV should do their background check (liens or reports of theft) and if no issues are found, the DMV will issue a new title to the applicant.
- **#2. SB 2247** Page 3. Lines 2 and 3. The last sentence should be removed. Appraisals for vehicles forty years or older are inconsistent, depending on who gives the appraisal. Rural areas are almost impossible to find someone certified that will be willing to do an appraisal.

I would like to see these two things changed in the bill.

#3. The small-town DMV offices need to be given more responsibility and be trusted to make more decisions on titling and licensing. To me, the local offices are better qualified to serve the people of their community.

Please vote "yes" on SB 2247.

Thank you for listening,

LeRoy Rude

For any questions, feel free to contact me. (701) 263-7952 leroymrude51@gmail.com

From:

Myron Langehaug <mailman@utma.com>

Sent:

Saturday, January 25, 2025 9:16 PM

To:

Thomas, Paul J.

Subject:

**NDDOT** 

Follow Up Flag: Flag Status:

Follow up Flagged

You don't often get email from mailman@utma.com. Learn why this is important

Paul, I am writing to you as you are having a Bill Hearing on the 31st and I would like to chime in on my experience with NDDMV. First I should say that most of my life has revolved around motor vehicles, having started working part time at a gas station at age 14, on to Body Shops for the next dozen years till I opened a Used Car Lot, Salvage and Auto Parts business for many years. I held a Used Car license and navigated thru the paper work whenever I bought or sold a vehicle. I also worked at two new car dealerships, Selling New and Used cars.

Today I am retired for 15 years and still do auto rebuilding and restorations as a hobby.

So one vehicle which I currently own is a !955 Chevrolet that had a title when I bought it and when I went to use a 1955 ND plate for the one time fee there was no problem. I got the 1955 Vintage Plate I had assigned to the vehicle with a one time fee, All Good.

Next I have a 1951 Studebaker which I only received a Bill of Sale for as the original owner had passed away as had Personal Representative for the Estate. The Grandson who I purchased this car from was helpful and with help from a very nice worker from the DMV we got all the paperwork in order and I did receive a title. By the way you should ask how many forms are required to get a new title, where one or two forms would be sufficient. So now I have a 1951 ND Plate which I would like to have assigned to this car, so I bring it in and ask for the one time registration, Not a Chance! This vehicle needs to have a full inspection before being licensed. Why this car and not my 1955? Thanks for looking at this NDDMV Myron Langehaug 701-263-

From:

Bob Nostdahl <race\_bob58@hotmail.com>

Sent:

Sunday, January 26, 2025 3:08 PM

To:

Thomas, Paul J.

Subject:

SB 2247

Follow Up Flag:

Flag for follow up

Flag Status:

Flagged

[You don't often get email from race\_bob58@hotmail.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification ]

### Greetings Paul,

I support this bill in regards to the retitling of motor vehicles. I am a member of a car club in Bottineau that boasts a membership of at least 60 people, and I believe I can say that our membership supports this also. Leroy Rude is 1 of our members, and I believe he will be at the Capitol on Friday.

Sincerely, Bob Nostdahl Sent from my iPhone

From:

Gregory Bell <rattrod39@outlook.com>

Sent:

Sunday, January 26, 2025 4:52 PM

To:

Thomas, Paul J.

Subject:

SB2247

Follow Up Flag:

Flag for follow up

Flag Status:

Flagged

You don't often get email from rattrod39@outlook.com. Learn why this is important

Hello, I am writing today to add my support for the passage of SB2247.

I have been restoring vintage vehicles for over 40 years, and have had to deal with the problems associated with obtaining a title for a vehicle.

I believe these classic cars and trucks are part of our ND heritage and as such deserve to be preserved and if possible put back in operating condition and driven for the enjoyment of all. In the process of restoration a lot of money is spent on the projects that adds to the benefit of the local economy. Thank you for taking the time to write this bill and I hope you are successful in your efforts.

Gregory Bell Minot, ND 58701

From:

Brent Christenson <br/>
<br/>bchristenson@nodakins.com>

Sent:

Monday, January 27, 2025 8:42 AM

To: Subject: Thomas, Paul J. Bill support

Follow Up Flag:

Flag for follow up

Flag Status:

Flagged

You don't often get email from bchristenson@nodakins.com. Learn why this is important

Paul

As a resident of Bottineau County, I ask you to support any and all bills that have the ability to ease the effort of receiving a title for an untitled motor vehicle.

I as well others have a pasture full of rusty gold. At one time they were just old vehicles, today they have become classic's with some having value as parts or a candidate for a full restoration. Titles for many of these vehicles have been lost. Some vehicles were hauled home without titles, here again at one time just scrap iron, today rusty gold. The ownership of these vehicles are all obtained legally.

I have been through the current lengthy process with ND DOT of receiving a title for an untitled vehicle. It's best described as painful and oftentimes I have just given up, with hopes that the process would soon change for the easier.

Thanks for what you do!

Brent Christenson Career Agent-Nodak Insurance 104 11th St. W. Bottineau, ND 58318 701-228-2530

Do you question if you have enough LIFE INSURANCE? For a simple calculator to help you find out how much life insurance you might need, click link. Please contact me with any questions.

https://www.fbfs.com/landing-page/life-insurance-calculator

From: Tim Semler < timsemler 2020@utma.com>

Sent: Tuesday, January 28, 2025 3:43 PM

To: Thomas, Paul J.

Cc: timsemler2020@utma.com

Subject: SB 2247 SUPPORT

Follow Up Flag: Flag for follow up

Flag Status: Flagged

You don't often get email from timsemler2020@utma.com. Learn why this is important

Paul

I am totally in support of S.B.2247 to allow quicker, less complications and more cooperation from the NDDOT - MVD in registering and titling motor vehicles with a Bill of Sale. I will give you an example of my lack of cooperation from the NDDOT – MVD:

In 2020, I decided to try to purchase a restorable 1968-70 Chevelle. After some searching, I found a 1969 Chevelle listed on BisMan by a young guy from Park River, ND. He had purchased the Chevelle out of Ohio and according to the pictures, it definitely needed restoration, but it was possible and we agreed on a price after I personally looked at the car. I certainly asked about the title and the fellow assured me he had the title, but it was still titled in Ohio, but was an original and transferable. So a few weeks later I arrived to trailer the Chevelle home. At this point the young fellow (a lier) explained he had searched his apartment completely and had lost the Ohio title. So we negotiated a lower price (not nearly enough), he signed a Bill of Sale, and I brought the car home. Shame on me for buying without a title.

So I began my search on how to title this vehicle. I started with the NDDOT – MVD who were no help whatsoever. They simply emphasized, no Ohio title, no ND registration or title – period. I searched Ohio and found records of the Chevelle being titled in certain counties of the state. Even found names of previous owners, but no responses when I tried to contact them. This led me to a wider search where I found that in Vermont, a person can register a vehicle older than 15 years with a simple Bill of Sale with VIN, dated, description and selling price, which I had. Of course this all came with a price for registration, license plates and Vermont sales tax (\$1150+). To verify the vehicle was not either stolen or abandoned, I also had to subscribe and do a nationwide search through an internet service. This proved the vehicle was not stolen or abandoned. Once currently registered and licensed in Vermont, this was supposed to suffice for registering, titling and licensing in all U.S. states. Guess what, North Dakota would not accept this process, although all other 49 states would!

So I again provided all this documentation to the NDDOT – MVD, which by this time amounted to paperwork the equivalent to a full-size, half inch thick magazine. They still refused! Finally one kind person in that Bismarck office told me I needed to get a court ordered title. This led me to the help of a local lawyer, filling out affidavits and getting on the District Court schedule. Our District Judge after hearing what I went through, immediately ordered a ND Title be issued for my 1969 Chevelle. After this was completed and sent to NDDOT – MVD, I finally had my ND Title for the Chevelle, which took about a year's time and more expense.

So Paul, YES, S.B. 2247 is badly needed!

Tim Semler 8130 19<sup>th</sup> Ave. NE Willow City, ND 58384

From:

Lois And Gary Raymo <gmraymo@gmail.com>

Sent:

Wednesday, January 29, 2025 9:19 AM

To:

Thomas, Paul J.

Subject:

Bill SB 2247

Follow Up Flag:

Flag for follow up

Flag Status:

Flagged

[You don't often get email from gmraymo@gmail.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification ]

Sent from my iPhone Good morning. I'm writing as our family has owned old vehicles for years.. some 65 years old. Sometimes you inherit one from a deceased family member, buy one or pull an old clunker out of the trees. You restore and than you try to license it. Sometime you combine 2 old vehicles. You spend time and money, even get it inspected. The steps to licensing are sometimes impossible.. so complicated that our local DMV just can't do it. We have seen( in our local newspaper) where individuals have been cited for this very issue. It's time to make this licensing less complicated. I thank you for your efforts to bring this to the legislature. Hopefully it will be met with success. Lois Raymo, Bottineau, ND

From:

Ann Monson <Ann.Monson@co.bottineau.nd.us>

Sent:

Wednesday, January 29, 2025 6:13 PM

To:

Thomas, Paul J.

Subject:

SB 2247

Follow Up Flag:

Flag for follow up

Flag Status:

Flagged

You don't often get email from ann.monson@co.bottineau.nd.us. Learn why this is important

### Senator Thomas,

I would like to comment on vehicles over 40 years old. The regulations we have in place now make it very difficult, if not impossible, to title and register an untitled vehicle. As the manager of the Bottineau County Motor Vehicle Branch Office, I see first hand the frustrations that these regulations cause. We do need rules and regulations I am not against them, but for unrestored, untitled old vehicles, what we have now is just too difficult. The regulations were implemented to prevent fraud, but we have people who are contemplating committing fraud because they feel that is the only way to get a title. I do like the idea of using a Statement of Ownership form to allow an explanation of how they came to possess a untitled vehicle. It will hold them accountable. Pictures are also an excellent tool to help determine if the value declared is reasonable. I believe getting an appraisal on a classic car is going to be difficult and highly suggestive. It is very difficult telling our customers that they will probably never get a North Dakota title on a vehicle that they have owned for years. Most people are honest. Thank you.

Ann Monson Bottineau County Treasurer/ Motor Vehicle Branch Manager/ (701) 228-2035

We are providing this information under the open records laws and do not guarantee its sufficiency. This office takes no responsibility for accuracy, errors or omissions of documents.

# 2025 SENATE STANDING COMMITTEE MINUTES

# **Transportation Committee**

Fort Totten Room, State Capitol

SB 2247 2/6/2025

Relating to obtaining a new vehicle certificate of title and the removal of number plates on a vehicle.

2:32 p.m. Chairman Clemens opened the hearing.

Members present: Chairman Clemens, Vice Chairwoman Cory, Senator Hogan, Senator Klein, Senator Paulson, Senator Rummel

# **Discussion Topics:**

- Potential amendments
- Information pending from NDDOT

2:33 p.m. Vice Chairwoman Cory discussed SB 2247 with committee.

2:37 p.m. Chairman Clemens adjourned the meeting.

Chance Anderson, Committee Clerk

# 2025 SENATE STANDING COMMITTEE MINUTES

# **Transportation Committee**

Fort Totten Room, State Capitol

SB 2247 2/13/2025

Relating to obtaining a new vehicle certificate of title and the removal of number plates on a vehicle.

10:08 a.m. Chairman Clemens opened the hearing.

Members present: Chairman Clemens, Vice Chairwoman Cory, Senator Hogan, Senator Klein, Senator Paulson, Senator Rummel

# **Discussion Topics:**

- Senator Thomas' amendment to update "individual" to "person"
- Amendment adjusting application process for title

10:09 a.m. Robin Rehborg, Deputy Directory for Driver Safety, NDDOT, testified neutral.

10:10 a.m. Vice Chairwoman Cory moved Amendment LC#25.0604.01001.

10:10 a.m. Senator Klein seconded the motion.

Senators	Vote
Senator David A. Clemens	Υ
Senator Claire Cory	Υ
Senator Kathy Hogan	Υ
Senator Jerry Klein	Υ
Senator Bob Paulson	AB
Senator Dean Rummel	Υ

Motion passed 5-0-1.

10:12 a.m. Senator Klein moved a Do Pass as Amended.

10:12 a.m. Senator Rummel seconded the motion.

Senators	Vote
Senator David A. Clemens	Υ
Senator Claire Cory	Y
Senator Kathy Hogan	Y
Senator Jerry Klein	Y
Senator Bob Paulson	AB
Senator Dean Rummel	Υ

Motion passed 5-0-1.

Senate Transportation Committee SB 2247 February 14, 2025 Page 2

Vice Chairwoman Cory will carry the bill.

10:13 a.m. Chairman Clemens closed the hearing.

Chance Anderson, Committee Clerk

25.0604.01001 Title.02000

Prepared by the Legislative Council staff for Senator Thomas January 29, 2025

Sixty-ninth Legislative Assembly of North Dakota

# PROPOSED AMENDMENTS TO

MB 2/13/25 1 of 4

**SENATE BILL NO. 2247** 

Introduced by

Senators Thomas, Cory, Clemens

Representatives Grueneich, D. Ruby

A BILL for an Act to amend and reenact subsection 1 of section 39-04-36subsection 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 39-04-36 of the North Dakota Century

Code is amended and reenacted as follows:

1. Whenever the ownership of a vehicle registered under the provisions of this chapter, chapter 39-18, or chapter 39-29.2 is transferred or assigned, the registration of the vehicle expires and the transferor shall remove the number plates, unless the number plates have not had valid registration for ten years.

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, either the engine, serial, or identification number, and any other distinguishing marks. The department mayshall 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

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1 vehicle and the department may require the vehicle be inspected before issuing a 2 certificate of title for the vehicle. 3 b. A statement as to whether the vehicle is new or used. 4 A statement of the applicant's title and the name and address of each lienholder 5 in the order of priority. 6 d. The name and address of the person to whom the certificate of title must be 7 delivered. 8 If applicable, a statement as to whether the vehicle is a specially constructed, e. 9 reconstructed, or foreign vehicle. 10 f. The owner's legal name, as evidenced by a valid state-issued driver's license. 11 identity card, or any other documentary evidence that confirms to the satisfaction 12 of the director the true identity of the owner, street address, city, and county, or 13 township and county, of residence. When two or more owners are designated, at 14 least one of the owners must comply with the identification requirement of this 15 subdivision and all names used must be legal names. A dealer shall make 16 specific inquiry as to this information before filling in the information on the 17 application. 18 The department may require odometer disclosure information as required under g. 19 the Truth in Mileage Act of 1986 [Pub. L. 99-579]. 20 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 an individual 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 statement 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 individual 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, any vehicle with a vehicle identification number may be transferred under this section regardless of the condition of the vehicle.

Module ID: s\_stcomrep\_26\_042 Carrier: Cory Insert LC: 25.0604.01001 Title: 02000

#### REPORT OF STANDING COMMITTEE SB 2247

**Transportation Committee (Sen. Clemens, Chairman)** recommends **AMENDMENTS** (25.0604.01001) and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT OR EXCUSED AND NOT VOTING). SB 2247 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

**2025 HOUSE TRANSPORTATION** 

SB 2247

#### 2025 HOUSE STANDING COMMITTEE MINUTES

#### **Transportation Committee**

Room JW327E, State Capitol

SB 2247 3/13/2025

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.

9:01 a.m. Chairman D. Ruby opened the hearing.

Members Present: Chairman D. Ruby, Vice Chairman Grueneich, Representatives Christianson, Dressler, Finley-DeVille, Frelich, Johnston, Kasper, Koppelman, Maki,

Morton, Osowski, Schatz

Members Absent: Representative Hendrix

#### **Discussion Topics:**

- Abandoned vehicles
- Vehicle description / inspection
- Model and year
- Affidavit of ownership

9:01 a.m. Senator Paul Thomas, District 6, introduced the bill, suggested amendments and submitted testimony #41268.

9:16 a.m. Dick Johnson, Car Collector from Dunseith, ND, testified in favor.

9:23 a.m. Leroy Rude, Hills and Plains Car Club, testified in favor and submitted testimony #41284.

9:26 a.m. Robin Rehborg, Deputy Director Vehicle Safety, ND DOT, stood for questions.

#### **Additional Testimony:**

Vice Chairman Grueneich submitted neutral testimony #41337.

9:28 a.m. Vice Chairman Grueneich closed the hearing.

Janae Pinks, Committee Clerk

25.0604.02002 Title. Prepared by the Legislative Council staff for Senator Thomas March 12, 2025

Sixty-ninth Legislative Assembly of North Dakota

## PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

#### **ENGROSSED SENATE BILL NO. 2247**

Introduced by

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Senators Thomas, Cory, Clemens

Representatives Grueneich, D. Ruby

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

#### 4 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:

- 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 mayshall 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.
  - A statement of the applicant's title and the name and address of each lienholder in the order of priority.

Page No. 1

1 d. The name and address of the person to whom the certificate of title must be 2 delivered. 3 e. If applicable, a statement as to whether the vehicle is a specially constructed, 4 reconstructed, or foreign vehicle. 5 f. The owner's legal name, as evidenced by a valid state-issued driver's license. 6 identity card, or any other documentary evidence that confirms to the satisfaction 7 of the director the true identity of the owner, street address, city, and county, or 8 township and county, of residence. When two or more owners are designated, at 9 least one of the owners must comply with the identification requirement of this 10 subdivision and all names used must be legal names. A dealer shall make 11 specific inquiry as to this information before filling in the information on the 12 application. 13 The department may require odometer disclosure information as required under g. 14 the Truth in Mileage Act of 1986 [Pub. L. 99-579]. 15 Any other information required by the department. 16 SECTION 2. AMENDMENT. Section 39-05-20 of the North Dakota Century Code is 17 amended and reenacted as follows: 18 39-05-20. Transferee may obtain new certificate of title upon inability to obtain old 19 certificate - Proof of ownership - Appeal. 20 When the transferee of a vehicle is unable to obtain a properly assigned certificate of 21 title for a vehicle, and makes application for a new certificate and presents satisfactory 22 proof of ownership, the department may cancel the old certificate and issue a new 23 certificate to the transferee, provided that the department may not issue a certificate of 24 title for a manufactured home with respect to which there has been recorded an 25 affidavit of affixation under section 47-10-27. Except as otherwise provided by this 26 subsection, satisfactory proof of ownership must include compliance by the transferee 27 with the procedures outlined in title 35. 28 If the transferee is an insurer that has paid a total loss claim on a vehicle but the a. 29 payment has not satisfied all liens of record on the vehicle, the transferee is not 30 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
  - 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.

the condition of the vehicle.

1 subject to any existing lien. When valuing a vehicle transferred under this 2 subdivision, the department shall use the sale price on the bill of sale if a bill of 3 sale is presented. The department may only request an appraisal of the vehicle if 4 a bill of sale is not presented to the department. A transfer under this subdivision 5 is exempt from subsection 1 of section 39-04-36. 6 2. The department may establish procedures for determining satisfactory proof of 7 ownership of a vehicle in those cases when the department is unable to determine the 8 legal owner of record. The procedures may include determining the validity of any 9 liens on a certificate of title. Any person aggrieved by a decision of the department as 10 to ownership of a vehicle may appeal that decision to the district court under chapter 11 28-32. 12 A person holding a certificate of title whose interests in the vehicle have been 13 extinguished or transferred other than by voluntary transfer shall mail or deliver the 14 certificate to the department upon request of the department. The delivery of the 15 certificate pursuant to the request of the department does not affect the rights of the 16 person surrendering the certificate. The action of the department in issuing a new 17 certificate of title as provided herein is not conclusive upon the rights of the owner or 18 lienholder listed in the old certificate. 19 If the department can verify the ownership of a vehicle and the vehicle has a vehicle 20 identification number, the vehicle may be transferred under this section regardless of

#### Testimony in favor of SB 2247

#### Chairman Ruby and members of the transportation committee

My name is LeRoy Rude from Bottineau North Dakota. I am in support of SB 2247.

To start with car shows, collectors and automobile enthusiast are a big part of North Dakota economy.

In the last few years administrative rules have made it nearly impossible, and sometimes impossible to restore or title a vehicle 40 years or older. I gave up on the process when the DOT told me.(after filling out a dozen or so forms.) because I couldn't produce a notarized bill of sale for a vehicle I own for 50 years or wasn't able to send two registered letters to the person I bought it from. He passed about 40 years ago. Now I'm told I needed to have a judge award me the vehicle. I was told by others that had went through that process that it was going to cost me \$1500-\$3500 for attorney fees. that's when I called Senator Thomas representative at that time. and that's when the process started and we ended up with 2247.

Brad Schaeffer testified they were concerned about stolen vehicles. Would you ask him a question if he is available? The question I would like to know is. "through the DOT's process how many stolen vehicles has been recovered in the last five years." This would be interesting to know.

One thing I would ask of you is to direct the director of the DOT to give more responsibility to the local branch offices. My opinion is they are being paid to do the job but are not authorized to do the job. I took two titles in to get transferred into my name. Both were signed by the same seller on the same day 30 plus years ago. Shame on me for not taking care of this years ago. I thought titles in hand, easy transfer. But no, they are required to get a hold of Bismarck DOT for a vin search. Didn't they purge their old records? Anyway, I was told I had to come back later because the person in Bismarck was not in at the time. When I went back, they transferred the title for the 1946 the title for the 1951 had a low vin number. To me a low serial number. (four numbers.) means one of the early cars built and more valuable. So I was told I needed photos of the car and vin plate. I did what they asked. In the photos, the rivet damage the last number of the vin. Now they want me to hire an inspector to verify Vin number. Sounds like they plan on changing the numbers on new title. This May hurt the value of my car.

Our local branch office would have worked through this. They know the people of the community and how important they are to the community. Not too long ago drivers license test were given once a month in Bottineau. Now that is no longer done and we have to drive 100 miles to the nearest testing office. More efficient?

A sidenote on efficiency. I put a letter in my mailbox to pay a bill in Bottineau 20 miles away. It is taken to the post office in Bottinneau then it is loaded on a box truck and taken 200 miles to Grand Forks dropped off and sorted then it is loaded on the same box truck and hauled 200 miles back to the same post office Where it is sorted onto postal vehicles and delivered to its destination. And there are no more or no less employees working at the bottom post office as there were when the sorting was done locally.

Sorry for rambling.

2247 is a very important bill for many people in North Dakota.

Please support SB 2247

thank you, Respectfully, LeRoy Rude

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#### AFFIDAVIT OF OWNERSHIP

North Dakota Department of Transportation, Motor Vehicle SFN XXXXX (XX-XXXX)

PROVIDED IS GUILTY OF A CLASS B MISDEMEANOR.

MOTOR VEHICLE DIVISION ND DEPT OF TRANSPORTATION 608 E BOULEVARD AVE BISMARCK ND 58505-0780 Telephone (701) 328-2725 Website: https://dot.nd.gov

This form shall be used only for proof of ownership for vehicles more than 40 years old for which no Manufacturer's Statement of Origin, Bill of Sale, or Title is being submitted with the application. The subscriber herein, subject to the penalties of law, is the owner of the following described vehicle:

Year	Make	N	Model		Body Style		
Vehicle Identification Number			Color		Fuel Type		Weight
Purchased From Purchase pro		Purchaseprice				Date Purchased	
Explain how you came	into possession of this	s vehicle:					
	A						
Applicant's Legal Name			Check One DL FEIN				Telephone Number
Mailing Address			ity			State	ZIP Code
Liens and Encumbrance	ces (Title will be mailed	to lienholder)					
Aailing Address			City			State	ZIP Code
	all suits, actions, claims, lo	sses, or assertion of c	laims including count also to pay any	outcome, the osts, expense and all dar	e North Dakot es, and attorn nages suffered	a Department bey fees to which d by any perso	I do hereby agree to of Transportation from the ch the department may be n or entity resulting from the ublic or Authorized Officer
		Ack	nowledgmer	ıt		<del></del>	
State of					0.00		
County of							
Signed and sworn to	(or affirmed) before r	me on this day	(month, day, ye	arl .			
Name of Notary Public	or other Authorized Off	icer (Type or Print)	Chorac, day, ye	ui.)	Affix N	Notary Stamp	
Signature of Notary Pub	olic or other Authorized	Officer					
Commission Expiration	Date (if not listed on sta	amp)					
ENALTY: ANY PERSON	MAKING ANY FALSE ST	ATEMENT OF THE W	ARRANTY OF TI	TLE FOR W	HICH ANOTH	IER PENALTY	IS NOT SPECIFICALLY

#### 2025 HOUSE STANDING COMMITTEE MINUTES

#### **Transportation Committee**

Room JW327E, State Capitol

SB 2247 3/14/2025

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.

10:03 a.m. Chairman D. Ruby opened the meeting.

Members Present: Chairman D. Ruby, Vice Chairman Grueneich, Representatives Christianson, Dressler, Finley-DeVille, Frelich, Johnston, Hendrix, Kasper, Koppelman, Maki, Morton, Osowski, Schatz

#### **Discussion Topics:**

- Legal liability
- Lack of VIN

10:03 a.m. Vice Chairman Grueneich moved to amend LC#25.0604.02002 and referenced previous testimony #41337.

10:04 a.m. Representative Morton seconded the motion.

10:04 a.m. Voice vote - motion passed.

10:07 a.m. Representative Christianson moved a Do Pass as Amended.

10:07 a.m. Representative Frelich seconded the motion.

Representatives	Vote
Representative Dan Ruby	Υ
Representative Jim Grueneich	Υ
Representative Nels Christianson	Υ
Representative Ty Dressler	Υ
Representative Lisa Finley-DeVille	AB
Representative Kathy Frelich	Υ
Representative Jared Hendrix	Υ
Representative Daniel Johnston	AB
Representative Jim Kasper	AB
Representative Ben Koppelman	Υ
Representative Roger A. Maki	Υ
Representative Desiree Morton	Υ
Representative Doug Osowski	Υ
Representative Mike Schatz	Υ

10:08 a.m. Motion passed 11-0-3.

House Transportation Committee SB 2247 3/14/2025 Page 2

10:08 a.m. Representative Christianson will carry the bill.

10:08 a.m. Chairman D. Ruby closed the meeting.

Janae Pinks, Committee Clerk

25.0604.02002 Title.03000

Prepared by the Legislative Council staff for Senator Thomas March 12, 2025

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Sixty-ninth Legislative Assembly of North Dakota

## PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

#### **ENGROSSED SENATE BILL NO. 2247**

Introduced by

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Senators Thomas, Cory, Clemens

Representatives Grueneich, D. Ruby

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

#### 4 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:
  - 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 mayshall 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.
    - A statement of the applicant's title and the name and address of each lienholder in the order of priority.

- 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].
- 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 individuala 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
  - 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.

Module ID: h\_stcomrep\_40\_015 Carrier: Christianson Insert LC: 25.0604.02002 Title: 03000

### REPORT OF STANDING COMMITTEE ENGROSSED SB 2247

**Transportation Committee (Rep. D. Ruby, Chairman)** recommends **AMENDMENTS** (25.0604.02002) and when so amended, recommends **DO PASS** (11 YEAS, 0 NAYS, 3 ABSENT OR EXCUSED AND NOT VOTING). SB 2247 was placed on the Sixth order on the calendar.