

HOUSE BILL No. 2646

By Representative Huy

1-18

9 AN ACT relating to certificates of title; concerning certain requirements;
10 amending K.S.A. 58-4204 and K.S.A. 2005 Supp. 8-135 and 8-170 and
11 repealing the existing sections.
12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2005 Supp. 8-135 is hereby amended to read as
15 follows: 8-135. (a) Upon the transfer of ownership of any vehicle regis-
16 tered under this act, the registration of the vehicle and the right to use
17 any license plate thereon shall expire and thereafter there shall be no
18 transfer of any registration, and the license plate shall be removed by the
19 owner thereof. Except as provided in K.S.A. 8-172, and amendments
20 thereto, and 8-1,147, and amendments thereto, it shall be unlawful for
21 any person, other than the person to whom the license plate was originally
22 issued, to have possession thereof. When the ownership of a registered
23 vehicle is transferred, the original owner of the license plate may register
24 another vehicle under the same number, upon application and payment
25 of a fee of \$1.50, if such other vehicle does not require a higher license
26 fee. If a higher license fee is required, then the transfer may be made
27 upon the payment of the transfer fee of \$1.50 and the difference between
28 the fee originally paid and that due for the new vehicle.

29 (b) Subject to the provisions of subsection (a) of K.S.A. 8-198, and
30 amendments thereto, upon the transfer or sale of any vehicle by any
31 person or dealer, or upon any transfer in accordance with K.S.A. 59-3511,
32 and amendments thereto, the new owner thereof, within 30 days, inclu-
33 sive of weekends and holidays, from date of such transfer shall make
34 application to the division for registration or reregistration of the vehicle,
35 but no person shall operate the vehicle on any highway in this state during
36 the thirty-day period without having applied for and obtained temporary
37 registration from the county treasurer or from a dealer. After the expi-
38 ration of the thirty-day period, it shall be unlawful for the owner or any
39 other person to operate such vehicle upon the highways of this state
40 unless the vehicle has been registered as provided in this act. For failure
41 to make application for registration as provided in this section, a penalty
42 of \$2 shall be added to other fees. When a person has a current motor-
43 cycle or passenger vehicle registration and license plate, including any

1 registration decal affixed thereto, for a vehicle and has sold or otherwise
2 disposed of the vehicle and has acquired another motorcycle or passenger
3 vehicle and intends to transfer the registration and the license plate to
4 the motorcycle or passenger vehicle acquired, but has not yet had the
5 registration transferred in the office of the county treasurer, such person
6 may operate the motorcycle or passenger vehicle acquired for a period
7 of not to exceed 30 days by displaying the license plate on the rear of the
8 vehicle acquired. If the acquired vehicle is a new vehicle such person also
9 must carry the assigned certificate of title or manufacturer's statement of
10 origin when operating the acquired vehicle, except that a dealer may
11 operate such vehicle by displaying such dealer's dealer license plate.

12 (c) Certificate of title: No vehicle required to be registered shall be
13 registered or any license plate or registration decal issued therefor, unless
14 the applicant for registration shall present satisfactory evidence of own-
15 ership and apply for an original certificate of title for such vehicle. The
16 following paragraphs of this subsection shall apply to the issuance of a
17 certificate of title for a nonhighway vehicle, salvage vehicle or rebuilt
18 salvage vehicle, as defined in K.S.A. 8-197, and amendments thereto,
19 except to the extent such paragraphs are made inapplicable by or are
20 inconsistent with K.S.A. 8-198, and amendments thereto, and to any elec-
21 tronic certificate of title, except to the extent such paragraphs are made
22 inapplicable by or are inconsistent with K.S.A. 2005 Supp. 8-135d, and
23 amendments thereto, or with rules and regulations adopted pursuant to
24 K.S.A. 2005 Supp. 8-135d, and amendments thereto.

25 The provisions of paragraphs (1) through (14) shall apply to any certif-
26 icate of title issued prior to January 1, 2003, which indicates that there is
27 a lien or encumbrance on such vehicle.

28 (1) An application for certificate of title shall be made by the owner
29 or the owner's agent upon a form furnished by the division and shall state
30 all liens or encumbrances thereon, and such other information as the
31 division may require. Notwithstanding any other provision of this section,
32 no certificate of title shall be issued for a vehicle having any unreleased
33 lien or encumbrance thereon, unless the transfer of such vehicle has been
34 consented to in writing by the holder of the lien or encumbrance. Such
35 consent shall be in a form approved by the division. In the case of mem-
36 bers of the armed forces of the United States while the United States is
37 engaged at war with any foreign nation and for a period of six months
38 next following the cessation of hostilities, such application may be signed
39 by the owner's spouse, parents, brother or sister. The county treasurer
40 shall use reasonable diligence in ascertaining whether the facts stated in
41 such application are true, and if satisfied that the applicant is the lawful
42 owner of such vehicle, or otherwise entitled to have the same registered
43 in such applicant's name, shall so notify the division, who shall issue an

1 appropriate certificate of title. The certificate of title shall be in a form
2 approved by the division, and shall contain a statement of any liens or
3 encumbrances which the application shows, and such other information
4 as the division determines.

5 (2) The certificate of title shall contain upon the reverse side a form
6 for assignment of title to be executed by the owner *before a notary public*
7 *or some other officer authorized to administer an oath*. This assignment
8 shall contain a statement of all liens or encumbrances on the vehicle at
9 the time of assignment. The certificate of title shall also contain on the
10 reverse side blank spaces so that an abstract of mileage as to each owner
11 will be available. The seller at the time of each sale shall insert and certify
12 the mileage and the purchase price on the form filed for application or
13 reassignment of title, and the division shall insert such mileage on the
14 certificate of title when issued to purchaser or assignee. The signature of
15 the purchaser or assignee is required on the form filed for application or
16 reassignment of title, acknowledging the odometer and purchase price
17 certification made by the seller, except that vehicles which are 10 model
18 years or older and trucks with a gross vehicle weight of more than 16,000
19 pounds shall be exempt from the mileage acknowledgment requirement
20 of the purchaser or assignee. Such title shall indicate whether the vehicle
21 for which it is issued has been titled previously as a nonhighway vehicle
22 or salvage vehicle. In addition, the reverse side shall contain two forms
23 for reassignment by a dealer, stating the liens or encumbrances thereon.
24 The first form of reassignment shall be used only when a dealer sells the
25 vehicle to another dealer. The second form of reassignment shall be used
26 by a dealer when selling the vehicle to another dealer or the ultimate
27 owner of the vehicle. The reassignment by a dealer shall be used only
28 where the dealer resells the vehicle, and during the time that the vehicle
29 remains in the dealer's possession for resale, the certificate of title shall
30 be dormant. When the ownership of any vehicle passes by operation of
31 law, or repossession upon default of a lease, security agreement, or ex-
32 ecutory sales contract, the person owning such vehicle, upon furnishing
33 satisfactory proof to the county treasurer of such ownership, may procure
34 a certificate of title to the vehicle. When a vehicle is registered in another
35 state and is repossessed in another state, the owner of such vehicle shall
36 not be entitled to obtain a valid Kansas title or registration, except that
37 when a vehicle is registered in another state, but is financed originally by
38 a financial institution chartered in the state of Kansas or when a financial
39 institution chartered in Kansas purchases a pool of motor vehicle loans
40 from the resolution trust corporation or a federal regulatory agency, and
41 the vehicle is repossessed in another state, such Kansas financial institu-
42 tion shall be entitled to obtain a valid Kansas title or registration. In
43 addition to any other fee required for the issuance of a certificate of title,

1 any applicant obtaining a certificate of title for a repossessed vehicle shall
2 pay a fee of \$3.

3 (3) Dealers shall execute, upon delivery to the purchaser of every new
4 vehicle, a manufacturer's statement of origin stating the liens and encum-
5 brances thereon. Such statement of origin shall be delivered to the pur-
6 chaser at the time of delivery of the vehicle or at a time agreed upon by
7 the parties, not to exceed 30 days, inclusive of weekends and holidays.
8 The agreement of the parties shall be executed on a form approved by
9 the division. In the event delivery of title cannot be made personally, the
10 seller may deliver the manufacturer's statement of origin by restricted
11 mail to the address of purchaser shown on the purchase agreement. The
12 manufacturer's statement of origin may include an attachment containing
13 assignment of such statement of origin on forms approved by the division.
14 Upon the presentation to the division of a manufacturer's statement of
15 origin, by a manufacturer or dealer for a new vehicle, sold in this state, a
16 certificate of title shall be issued if there is also an application for regis-
17 tration, except that no application for registration shall be required for a
18 travel trailer used for living quarters and not operated on the highways.

19 (4) The fee for each original certificate of title shall be \$10 in addition
20 to the fee for registration of such vehicle, trailer or semitrailer. The cer-
21 tificate of title shall be good for the life of the vehicle, trailer or semitrailer
22 while owned or held by the original holder of the certificate of title.

23 (5) Except for a vehicle registered by a federally recognized Indian
24 tribe, as provided in paragraph (16), upon sale and delivery to the pur-
25 chaser of every vehicle subject to a purchase money security interest as
26 provided in article 9 of chapter 84 of the Kansas Statutes Annotated, and
27 amendments thereto, the dealer or secured party may complete a notice
28 of security interest and when so completed, the purchaser shall execute
29 the notice, in a form prescribed by the division, describing the vehicle
30 and showing the name and address of the secured party and of the debtor
31 and other information the division requires. The dealer or secured party,
32 within 20 days of the sale and delivery, may mail or deliver the notice of
33 security interest, together with a fee of \$2.50, to the division. The notice
34 of security interest shall be retained by the division until it receives an
35 application for a certificate of title to the vehicle and a certificate of title
36 is issued. The certificate of title shall indicate any security interest in the
37 vehicle. Upon issuance of the certificate of title, the division shall mail or
38 deliver confirmation of the receipt of the notice of security interest, the
39 date the certificate of title is issued and the security interest indicated, to
40 the secured party at the address shown on the notice of security interest.
41 The proper completion and timely mailing or delivery of a notice of se-
42 curity interest by a dealer or secured party shall perfect a security interest
43 in the vehicle described on the date of such mailing or delivery. The

1 county treasurers shall mail a copy of the title application to the Kansas
2 lienholder. Each county treasurer shall charge the Kansas lienholder a
3 \$1.50 service fee for processing and mailing a copy of the title application
4 to the Kansas lienholder.

5 (6) It shall be unlawful for any person to operate in this state a vehicle
6 required to be registered under this act, or to transfer the title to any
7 such vehicle to any person or dealer, unless a certificate of title has been
8 issued as herein provided. In the event of a sale or transfer of ownership
9 of a vehicle for which a certificate of title has been issued, which certifi-
10 cate of title is in the possession of the transferor at the time of delivery
11 of the vehicle, the holder of such certificate of title shall endorse on the
12 same an assignment thereof, with warranty of title in a form prescribed
13 by the division and printed thereon and the transferor shall deliver the
14 same to the buyer at the time of delivery to the buyer of the vehicle or
15 at a time agreed upon by the parties, not to exceed 30 days, inclusive of
16 weekends and holidays, after the time of delivery. The agreement of the
17 parties shall be executed on a form provided by the division. The require-
18 ments of this paragraph concerning delivery of an assigned title are sat-
19 isfied if the transferor mails to the transferee by restricted mail the as-
20 signed certificate of title within the 30 days, and if the transferor is a
21 dealer, as defined by K.S.A. 8-2401, and amendments thereto, such trans-
22 feror shall be deemed to have possession of the certificate of title if the
23 transferor has made application therefor to the division. The buyer shall
24 then present such assigned certificate of title to the division at the time
25 of making application for registration of such vehicle. A new certificate
26 of title shall be issued to the buyer, upon payment of the fee of \$10. If
27 such vehicle is sold to a resident of another state or country, the dealer
28 or person making the sale shall notify the division of the sale and the
29 division shall make notation thereof in the records of the division. When
30 a person acquires a security agreement on a vehicle subsequent to the
31 issuance of the original title on such vehicle, such person shall require
32 the holder of the certificate of title to surrender the same and sign an
33 application for a mortgage title in form prescribed by the division. Upon
34 such surrender such person shall immediately deliver the certificate of
35 title, application, and a fee of \$10 to the division. Upon receipt thereof,
36 the division shall issue a new certificate of title showing the liens or en-
37 cumbrances so created, but not more than two liens or encumbrances
38 may be shown upon a title. When a prior lienholder's name is removed
39 from the title, there must be satisfactory evidence presented to the di-
40 vision that the lien or encumbrance has been paid. When the indebted-
41 ness to a lienholder, whose name is shown upon a title, is paid in full,
42 such lienholder within 10 days after written demand by restricted mail,
43 shall furnish to the holder of the title a release of lien or execute such a

1 release in the space provided on the title. For failure to comply with such
2 a demand the lienholder shall be liable to the holder of the title for \$100
3 and also shall be liable for any loss caused to the holder by such failure.
4 When the indebtedness to a lienholder, whose name is shown upon a
5 title, is collected in full, such lienholder, within 30 days, shall furnish
6 notice to the holder of title that such indebtedness has been paid in full
7 and that such title may be presented to the lienholder at any time for
8 release of lien.

9 (7) It shall be unlawful for any person to buy or sell in this state any
10 vehicle required to be registered, unless, at the time of delivery thereof
11 or at a time agreed upon by the parties, not to exceed 30 days, inclusive
12 of weekends and holidays, after the time of delivery, there shall pass
13 between the parties a certificate of title with an assignment thereof. The
14 sale of a vehicle required to be registered under the laws of this state,
15 without assignment of the certificate of title, is fraudulent and void, unless
16 the parties shall agree that the certificate of title with assignment thereof
17 shall pass between them at a time other than the time of delivery, but
18 within 30 days thereof. The requirements of this paragraph concerning
19 delivery of an assigned title shall be satisfied if (A) the seller mails to the
20 purchaser by restricted mail the assigned certificate of title within 30 days,
21 or (B) if the transferor is a dealer, as defined by K.S.A. 8-2401, and
22 amendments thereto, such seller shall be deemed to have possession of
23 the certificate of title if such seller has made application therefor to the
24 division, or (C) if the transferor is a dealer and has assigned a title pur-
25 suant to paragraph (9) of this subsection (c).

26 (8) In cases of sales under the order of a court of a vehicle required
27 to be registered under this act, the officer conducting such sale shall issue
28 to the purchaser a certificate naming the purchaser and reciting the facts
29 of the sale, which certificate shall be prima facie evidence of the own-
30 ership of such purchaser for the purpose of obtaining a certificate of title
31 to such motor vehicle and for registering the same. Any such purchaser
32 shall be allowed 30 days, inclusive of weekends and holidays, from the
33 date of sale to make application to the division for a certificate of title
34 and for the registering of such motor vehicle.

35 (9) Any dealer who has acquired a vehicle, the title for which was
36 issued under the laws of and in a state other than the state of Kansas,
37 shall not be required to obtain a Kansas certificate of title therefor during
38 the time such vehicle remains in such dealer's possession and at such
39 dealer's place of business for the purpose of sale. The purchaser or trans-
40 feree shall present the assigned title to the division of vehicles when
41 making application for a certificate of title as provided in subsection (c)(1).

42 (10) Motor vehicles may be held and titled in transfer-on-death form.

43 (11) Notwithstanding the provisions of this act with respect to time

1 requirements for delivery of a certificate of title, or manufacturer's state-
2 ment of origin, as applicable, any person who chooses to reaffirm the sale
3 in writing on a form approved by the division which advises them of their
4 rights pursuant to paragraph (7) of subsection (c) and who has received
5 and accepted assignment of the certificate of title or manufacturer's state-
6 ment of origin for the vehicle in issue may not thereafter void or set aside
7 the transaction with respect to the vehicle for the reason that a certificate
8 of title or manufacturer's statement of origin was not timely delivered,
9 and in such instances the sale of a vehicle shall not be deemed to be
10 fraudulent and void for that reason alone.

11 (12) The owner of any vehicle assigning a certificate of title in ac-
12 cordance with the provisions of this section may file with the division a
13 form indicating that such owner has assigned such certificate of title. Such
14 forms shall be furnished by the division and shall contain such information
15 as the division may require. Any owner filing a form as provided in this
16 paragraph shall pay a fee of \$10. The filing of such form shall be prima
17 facie evidence that such certificate of title was assigned and shall create
18 a rebuttable presumption. If the assignee of a certificate of title fails to
19 make application for registration, an owner assigning such title and filing
20 the form in accordance with the provisions of this paragraph shall not be
21 held liable for damages resulting from the operation of such vehicle.

22 (13) Application for a certificate of title on a boat trailer with a gross
23 weight over 2,000 pounds shall be made by the owner or the owner's
24 agent upon a form to be furnished by the division and shall contain such
25 information as the division shall determine necessary. The division may
26 waive any information requested on the form if it is not available. The
27 application together with a bill of sale for the boat trailer shall be accepted
28 as prima facie evidence that the applicant is the owner of the boat trailer,
29 provided that a Kansas title for such trailer has not previously been issued.
30 If the application and bill of sale are used to obtain a certificate of title
31 for a boat trailer under this paragraph, the certificate of title shall not be
32 issued until an inspection in accordance with subsection (a) of K.S.A. 8-
33 116a, and amendments thereto, has been completed.

34 (14) In addition to the two forms for reassignment under paragraph
35 (2) of subsection (c), a dealer may attach one additional reassignment
36 form to a certificate of title. The director of vehicles shall prescribe and
37 furnish such reassignment forms. The reassignment form shall be used
38 by a dealer when selling the vehicle to another dealer or the ultimate
39 owner of the vehicle only when the two reassignment forms under par-
40 agraph (2) of subsection (c) have already been used. The fee for a reas-
41 signment form shall be \$6.50. A dealer may purchase reassignment forms
42 in multiples of five upon making proper application and the payment of
43 required fees.

1 (15) A first stage manufacturer, as defined in K.S.A. 8-2401, and
2 amendments thereto, who manufactures a motor vehicle in this state, and
3 who sells such motor vehicles to dealers located in a foreign country, may
4 execute a manufacturers statement of origin to the division of vehicles
5 for the purpose of obtaining an export certificate of title. The motor ve-
6 hicle issued an export certificate of title shall not be required to be reg-
7 istered in this state. An export certificate of title shall not be used to
8 register such vehicle in the United States.

9 (16) A security interest in a vehicle registered by a federally recog-
10 nized Indian tribe shall be deemed valid under Kansas law if validly per-
11 fected under the applicable tribal law and the lien is noted on the face
12 of the tribal certificate of title.

13 Sec. 2. K.S.A. 2005 Supp. 8-170 is hereby amended to read as fol-
14 lows: 8-170. (a) Upon the transfer of ownership of any vehicle registered
15 under the foregoing provisions of this act, its registration and right to use
16 the license plates thereon shall expire and thereafter there shall be no
17 transfer of any registration, and the license plates shall be removed by
18 the owner thereof and it shall be unlawful for any person other than the
19 person to whom such license plates were originally issued to have the
20 same in possession. In case of a transfer of ownership of a registered
21 vehicle the original owner of the license plates may register another an-
22 tique vehicle under the same license plate designation, upon application
23 therefor and the payment of a fee of \$1.50. On and after January 1, 2000,
24 any model year license plate transferred shall comply with the provisions
25 of subsection (c) of K.S.A. 8-172, and amendments thereto.

26 (b) Upon the transfer and sale of a registered vehicle by any person,
27 the new owner thereof, before using a vehicle on the highways of this
28 state, shall make application to the division for registration of the vehicle.

29 (c) Certificate of title:

30 (1) Application for certificate of title on an antique vehicle shall be
31 made by the owner or the owner's agent upon a blank form to be fur-
32 nished by the division and shall contain such information as the division
33 shall determine necessary. The division may waive any information re-
34 quested on the form if it is not available. For any antique vehicle having
35 a model year prior to 1950, the application together with a bill of sale for
36 the antique vehicle shall be accepted as prima facie evidence that the
37 applicant is the owner of the vehicle and the certificate of title shall be
38 issued for such vehicle. If the application and bill of sale are used to obtain
39 a certificate of title for any antique vehicle having a model year of 1950
40 or later, the certificate of title shall not be issued until an inspection in
41 accordance with subsection (a) of K.S.A. 8-116, and amendments thereto,
42 has been completed. The certificate of title shall be delivered to the ap-
43 plicant. The certificate shall contain the words "antique vehicle."

1 (2) The certificate of title shall contain upon the reverse side a form
2 for assignment of title to be executed by the owner *before a notary public*
3 *or some other officer authorized to administer an oath*. A certificate of
4 title may be issued under the provisions of this act without an application
5 for registration.

6 (3) The fee for each original certificate of title so issued shall be \$10.
7 The certificate of title shall be good for the life of the antique vehicle, so
8 long as the same is owned or held by the original holder of the certificate
9 of title, and shall not have to be renewed. In the event of a sale or transfer
10 of ownership of an antique vehicle for which a certificate of title has been
11 issued under the provisions of this subsection, the holder of such certifi-
12 cate of title shall endorse on the same an assignment thereof, with war-
13 ranty of title in form printed thereon, as prescribed by the director, and
14 the transferor must deliver the same to the buyer at the time of delivery
15 of the vehicle. The buyer shall then present such certificate of title, as-
16 signed as aforesaid, to the director or an authorized agent of the director,
17 whereupon a new certificate of title shall be issued to the buyer, the fee
18 therefor being \$10.

19 Sec. 3. K.S.A. 58-4204 is hereby amended to read as follows: 58-
20 4204. (a) For purposes of this section, a manufactured home or mobile
21 home shall be considered to be personal property.

22 (b) The provisions of this section shall apply to any electronic certifi-
23 cate of title, except to the extent such provisions are made inapplicable
24 by or are inconsistent with K.S.A. 58-4204a, and amendments thereto, or
25 with rules and regulations adopted pursuant to K.S.A. 58-4204a, and
26 amendments thereto.

27 The provisions of this section shall apply to any certificate of title issued
28 prior to January 1, 2003, which indicates that there is a lien or encum-
29 brance on such manufactured home or mobile home.

30 (c) Upon the transfer or sale of any manufactured home or mobile
31 home by any person or dealer, the new owner thereof, within 30 days,
32 inclusive of weekends and holidays, from the date of such transfer or sale,
33 shall make application to the division for the issuance of a certificate of
34 title evidencing the new owner's ownership of such manufactured home
35 or mobile home. An application for certificate of title shall be made by
36 the owner of the manufactured home or mobile home, or the owner's
37 agent, upon a form furnished by the division, and it shall state all liens or
38 encumbrances thereon and such other information as the director may
39 require. Notwithstanding any other provision of this section, no certificate
40 of title shall be issued for a manufactured home or mobile home having
41 any unreleased lien or encumbrance thereon, unless the transfer of such
42 manufactured home or mobile home has been consented to in writing by
43 the holder of the lien or encumbrance. Such consent shall be in a form

1 approved by the director. The county treasurer shall use reasonable dil-
2 igence in ascertaining whether the facts stated in such application are
3 true, and if satisfied that the applicant is the lawful owner of the manu-
4 factured home or mobile home, or otherwise entitled to have the certif-
5 icate of title therefor issued in such applicant's name, shall so notify the
6 division, who shall issue an appropriate certificate of title.

7 (d) The director shall design a distinctive certificate of title to be
8 issued to owners of manufactured homes and mobile homes, so as to be
9 distinguishable from certificates of title issued to owners of vehicles. The
10 certificate of title shall contain a statement of any liens or encumbrances
11 which the application discloses and shall provide such other information
12 as the director determines necessary and appropriate. The certificate of
13 title shall contain upon the reverse side a form for assignment of title to
14 be executed by the owner *before a notary public or some other officer*
15 *authorized to administer oaths*. This assignment shall contain a statement
16 of all liens or encumbrances on the manufactured home or mobile home
17 at the time of assignment. When the ownership of any manufactured
18 home or mobile home passes by operation of law or by repossession upon
19 default of a lease, security agreement or executory sales contract, the
20 person owning such manufactured home or mobile home, upon furnish-
21 ing satisfactory proof to the county treasurer of such ownership, may
22 procure a certificate of title to the manufactured home or mobile home.

23 (e) Dealers shall execute, upon delivery to the purchaser of every new
24 manufactured home, a manufacturer's statement of origin stating the liens
25 and encumbrances thereon. Such statement of origin shall be delivered
26 to the purchaser at the time of delivery of the manufactured home or at
27 a time agreed upon by the parties, not to exceed 30 days, inclusive of
28 weekends and holidays. The agreement of the parties shall be executed
29 on a form approved by the director. In the event delivery of title cannot
30 be made personally, the seller may deliver the manufacturer's statement
31 of origin by restricted mail to the address of the purchaser shown on the
32 purchase agreement. The manufacturer's statement of origin may include
33 an attachment containing assignment of such statement of origin on forms
34 approved by the director. Upon the presentation to the division of a man-
35 ufacturer's statement of origin, by a manufacturer or dealer for a new
36 manufactured home, sold in this state, a certificate of title shall be issued.

37 (f) The fee for each original certificate of title shall be \$10. The cer-
38 tificate of title shall be good for the life of the manufactured home or
39 mobile home while owned or held by the original holder of the certificate
40 of title.

41 (g) Upon sale and delivery to the purchaser of every manufactured
42 home or mobile home subject to a purchase money security interest, as
43 provided for in article 9 of chapter 84 of the Kansas Statutes Annotated,

1 and amendments thereto, the dealer or secured party may complete a
2 notice of security interest and, when so completed, the purchaser shall
3 execute the notice, in a form prescribed by the director, describing the
4 manufactured home or mobile home and showing the name and address
5 of the secured party and of the debtor and such other information as the
6 director may require. The dealer or secured party may, within 10 days of
7 the sale and delivery, mail or deliver the notice of security interest, to-
8 gether with a fee of \$2.50, to the division. The notice of security interest
9 shall be retained by the division, until it receives an application for a
10 certificate of title to the manufactured home or mobile home and a cer-
11 tificate of title is issued. The certificate of title shall indicate any security
12 interest in the manufactured home or mobile home. Upon issuance of
13 the certificate of title, the division shall mail or deliver confirmation of
14 the receipt of the notice of security interest, the date the certificate of
15 title is issued and the security interest indicated, to the secured party at
16 the address shown on the notice of security interest. The proper comple-
17 tion and timely mailing or delivery of a notice of security interest by a
18 dealer or secured party shall perfect a security interest in the manufac-
19 tured home or mobile home described on the date of such mailing or
20 delivery.

21 (h) In the event of a sale or transfer of ownership of a manufactured
22 home or mobile home for which a certificate of title has been issued,
23 which certificate of title is in the possession of the transferor at the time
24 of delivery of the manufactured home or mobile home, the holder of such
25 certificate of title shall endorse on the same an assignment thereof, with
26 warranty of title in a form prescribed by the director and printed thereon,
27 and the transferor shall deliver the same to the buyer at the time of
28 delivery to the buyer of the manufactured home or mobile home, or at a
29 time agreed upon by the parties, not to exceed 30 days, inclusive of week-
30 ends and holidays, after the time of delivery. The sale of a mobile home
31 or manufactured home by a manufactured home dealer without such
32 delivery of an assigned certificate of title is fraudulent and void, and it
33 shall constitute a violation of the Kansas manufactured housing act. The
34 agreement of the parties shall be executed on a form provided by the
35 division. The requirements of this subsection concerning delivery of an
36 assigned title are satisfied, if the transferor mails to the transferee, by
37 restricted mail, the assigned certificate of title within the 30 days, and if
38 the transferor is a dealer, as defined by K.S.A. 58-4202, and amendments
39 thereto, such transferor shall be deemed to have possession of the cer-
40 tificate of title, if the transferor has made application therefor to the
41 division.

42 The buyer shall then present such assigned certificate of title to the
43 division, and a new certificate of title shall be issued to the buyer upon

1 payment of the fee of \$10. If such manufactured home or mobile home
2 is sold to a resident of another state or country, the dealer or person
3 making the sale shall notify the division of the sale and the division shall
4 make notation thereof in the records of the division. If any manufactured
5 home or mobile home is destroyed, dismantled or sold as junk, the owner
6 shall immediately notify the division by surrendering the original or as-
7 signed certificate of title.

8 (i) When a person acquires a security agreement on a manufactured
9 home or mobile home subsequent to the issuance of the original title on
10 such manufactured home or mobile home, such person shall require the
11 holder of the certificate of title to surrender the same and sign an appli-
12 cation for a mortgage title in such form as prescribed by the director.
13 Upon such surrender, the person shall immediately deliver the certificate
14 of title, application and a fee of \$10 to the division. Upon receipt thereof
15 the division shall issue a new certificate of title, showing the liens or
16 encumbrances so created, but not more than two liens or encumbrances
17 may be shown upon a title. The delivery of the certificate of title, appli-
18 cation and fee to the division shall perfect such person's security interest
19 in the manufactured home or mobile home described in the certificate
20 of title. When a prior lienholder's name is removed from the title, there
21 must be satisfactory evidence presented to the division that the lien or
22 encumbrance has been paid. When the indebtedness to a lienholder,
23 whose name is shown upon a title, is paid in full, such lienholder, within
24 10 days after written demand by restricted mail, shall furnish to the holder
25 of the title a release of lien or execute such a release in the space provided
26 on the title. For failure to comply with such a demand, the lienholder
27 shall be liable to the holder of the title for \$100 and also shall be liable
28 for any loss caused to the holder by such failure. When the indebtedness
29 to a lienholder, whose name is shown upon a title, is collected in full,
30 such lienholder, within 30 days, shall furnish notice to the holder of title
31 that such indebtedness has been paid in full and that such title may be
32 presented to the lienholder at any time for release of lien.

33 (j) In the event of the sale of a manufactured home or mobile home
34 under the order of a court, the officer conducting such sale shall issue to
35 the purchaser a certificate naming the purchaser and reciting the facts of
36 the sale, which certificate shall be prima facie evidence of the ownership
37 of such purchaser for the purpose of obtaining a certificate of title to such
38 manufactured home or mobile home. Any such purchaser shall be allowed
39 30 days, inclusive of weekends and holidays, from the date of sale to make
40 application to the division for a certificate of title.

41 (k) Any dealer who has acquired a manufactured home or mobile
42 home, the title for which was issued under the laws of and in a state other
43 than the state of Kansas, shall not be required to retain a Kansas certificate

1 of title therefor during the time such manufactured home or mobile home
2 remains in such dealer's possession and at such dealer's established or
3 supplemental place of business for the purpose of sale. Upon the sale of
4 any such manufactured home or mobile home, the dealer immediately
5 shall deliver to the purchaser or transferee the certificate of title issued
6 by the other state, properly endorsed and assigned to the purchaser or
7 transferee, together with an affidavit executed by the dealer setting forth:
8 (1) That the dealer warrants to the purchaser or transferee and all
9 other persons who claim through the purchaser or transferee that, at the
10 time of the sale transfer and delivery by the dealers, the manufactured
11 home or mobile home was free and clear of all liens, mortgages and other
12 encumbrances, except those otherwise appearing on the title;
13 (2) the information shown on the title relating to all previous assign-
14 ments, including the names of all previous titleholders shown thereon;
15 and
16 (3) that the dealer has the right to sell and transfer the manufactured
17 home or mobile home.
18 Sec. 4. K.S.A. 58-4204 and K.S.A. 2005 Supp. 8-135 and 8-170 are
19 hereby repealed.
20 Sec. 5. This act shall take effect and be in force from and after its
21 publication in the statute book.