

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE

The meeting was called to order by Chairman Les Donovan at 8:30 a.m. on February 24, 2004 in Room 527-S of the Capitol.

All members were present except:

Senator David Adkins- absent

Senator Edward Pugh- absent

Committee staff present:

Hank Avila, Legislative Research Department

Bruce Kinzie, Revisors of Statutes

Marian F. Holeman, Committee Secretary

Conferees appearing before the committee:

Don McNeely, Kansas Automobile Dealers Assn.

Bill Sneed, State Farm Insurance

Steve Kearny, Kansas Automotive Recyclers

Carmen Alldritt, Director, Division of Motor Vehicles, KDOR

Matt Moser, Titles & Registration Chief, KDOR

Senator Anthony Hensley

Ron Alexander

Others attending:

See Attached List.

SB 500: Certificates of title for nonrepairable or salvage vehicles

The hearing continued on this bill. Staff Revisor, Bruce Kinzie provided a recap of the bill. The main features include requiring disclosure on what is now called "repairable flood and/or rebuilt salvage vehicles." Application would have to be made to obtain a rebuilt, salvage title. Essentially, it would be the same provisions we now have for the nonrepairables. Further it defines a "flood" vehicle and a "repairable flood vehicle." Nonrepairable is defined on a percentage of the damage based upon fair market value.

Don McNeely, Kansas Automobile Dealers Association advised that his previous testimony covered all the amendments they presented in the previous hearing. He proposed a balloon to the amendment to include on page 1, line 43, language to exempt cosmetic damage; and on page 2, Sections 4 and 5, language to clarify "cost of repairs" as well as "flood vehicles." Mr. McNeely also provided a compilation of surrounding states thresholds of damage (Attachment 1). He stated this is a very complicated and contentious area for all the entities involved and it has been before the Legislature several times in the past. Bill Sneed, State Farm Insurance, agreed with Mr. McNeely. In the past when major changes have been made in this area it was done after substantial study and work by all parties. They sat down with the ones who requested the bill and attempted to address their issues. The insurers want to take everything else off the table except the issue raised by requesters of the original bill. He stated the insurers would be happy to join a working group to resolve other issues and report back next year, if the Committee would like to further consider the additional issues. Mr. Sneed proposed to amend only K.S.A. 8-197, Section 3 beginning on line 31 thru page 5, line 43, This creates a definition for "late model" vehicle, providing a threshold of 80% instead of 75% and that the "late model" vehicle would be designated as "6 years plus 1 - the current year for a total of 7. That would fix the problem in the original bill request. Steve Kearney, Kansas Automotive Recyclers, observed that in Mr. Sneed's amendment the threshold for "nonrepairable" vehicles is lost as well as the definition of a "flood" vehicle. It is obvious to those in the industry that at some point there are vehicles that should never be returned to the road. They would like to have something moving forward. Mr. Sneed's amendment is just a "baby step" toward solving the problems that are out there.

Carmen Alldritt, Director, KDOR Division of Motor Vehicles, introduced Matt Moser, Titles and Registration Chief, to address, in general, their concerns, There are so many groups working on this with

CONTINUATION SHEET

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so many different approaches, and their Division just wishes to ensure that there is an established definition of a "salvage" vehicle, and an established threshold for a "nonrepairable" vehicle. It is very important the owner be required to get a salvage or nonrepairable title so that all the disclosures are made. Mr. McNeely advised that he has no dispute with State Farms's balloon except it leaves areas of dispute, some of which were defined in the original request. Members discussed what can be done with this bill to get it to move forward during this Session. It was suggested the Committee adopt the two items Kansas Automobile Dealers would like to see in order to establish a "fair market" definition and "cost of repairs done at retail," and then go with the State Farm amendment. That would solve some of the problems and get the bill moving at this time. It was further recommended that all parties concerned meet in the coming year to deal with the other issues and introduce a new bill in the 2005 Session. In order to not print the ten page **SB 500** over again with all the lines stricken, Senator Schodorf moved to recommend a substitute bill with only one section containing the conceptual amendments. Senator Goodwin seconded the motion. Motion carried.

SB 474: Driver's licenses, van endorsement required to operate certain vehicles

Senator Hensley spoke in support of the bill which provides that no person may drive a passenger van unless such person has a valid driver's license with a V endorsement. It defines a "passenger van," requires written and skill test, requires an endorsement on any class of license and establishes the cost of such licensing procedure. It will not apply to personally owned and operated vans. He introduced this bill on behalf of his constituents, Ron and Phyllis Alexander, who are here today to testify in support of this bill because of a personal tragedy with the death of their daughter. He introduced Mr. Alexander who testified as a proponent of the bill. He did not provide written testimony. Mr. Alexander described his researching of his daughter's accident. It is obvious to him that the vans and the lack of properly trained drivers are the problem. In their case, the driver was a volunteer whose experience was in the National Guard, operating heavy equipment. He did not know the proper response when a tire blew out on the van. This bill would increase the safety margin for all occupants of these vehicles. Statistics show the accidents primarily result from improperly trained drivers. Mr. Alexander also provided National Transportation Safety Board materials relating to this problem (Attachment 2).

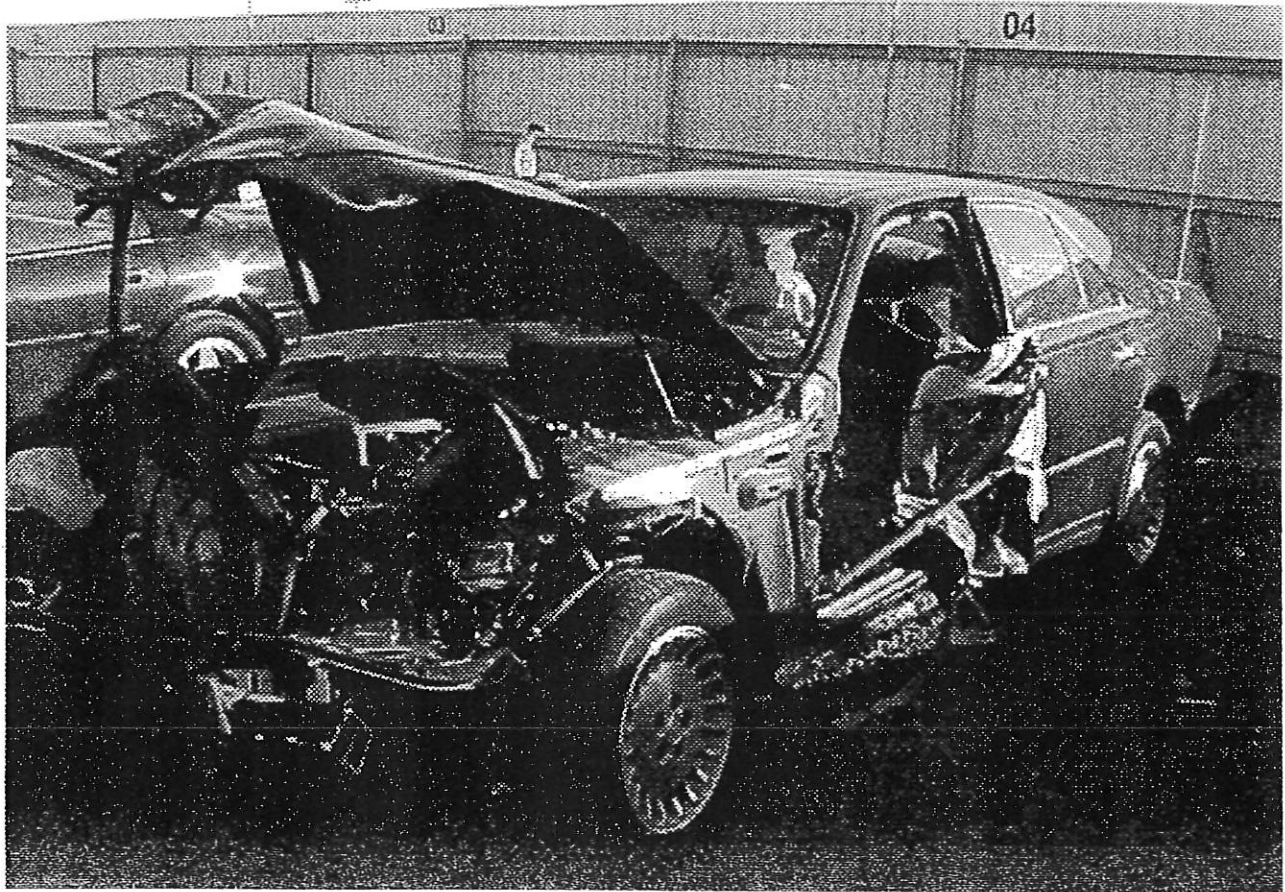
One other person, Bill Davenport, was scheduled to testify in opposition to this bill. His testimony was on the subject of personal, individual usage of these vans. Time did not permit his oral presentation. His written testimony is attached (Attachment 3). Chairman Donovan apologized for the lack of time and requested the bill be reintroduced early next year so there will be adequate time for a full hearing and committee consideration.

Approval of minutes

Senator Goodwin moved to approve minutes of the February 17 and February 18, 2004 meeting. Senator Salmans seconded the motion. Motion carried.

The meeting adjourned at 9:30 a.m.

The next meeting is scheduled for March 9, 2004.



SENATE TRANSPORTATION COMMITTEE

DATE 2-24-04

ATTACHMENT: 1

1-1

NEBRASKA

I. TITLES/REGISTRATIONS

Titles and registrations are prepared and issued by County Official in county of residence. Application may be made in person or by mail. *Standard Title Fee* - \$10.00.

A. SPECIAL TITLES

Brands and notations are displayed in the "Legends" area on the Certificate of Title (See Exhibit "A").

Assembled . . . Certificate of Title issued with notation "Assembled" in the make section when a vehicle is materially altered from its construction by the removal, addition or substitution of new or used major component parts. Used for any restored or rebuilt vehicle. Model year becomes year vehicle was assembled. Inspection required and inspection certificate issued. State assigned VIN is required. Inspection Fee - \$10.00. Inspection certificate, title to a major component part, receipts identifying parts used in assembly, application and title fee are required for titling. *Code in Database: Yes.*

Bonded . . . Residents of Nebraska may apply for bonded title when previous title to the vehicle is not available. Three year surety bond, original bills of sale, photos of front side of the vehicle, return receipt of certified letter sent to owner, application for bonded title must be submitted. Sheriff's Inspection Certificate also required. Fees - \$50.00 for application plus standard title fee. State assigned VIN plate may also be required.

Junking . . . Accomplished by surrendering the Certificate of Title to the County Clerk/Treasurer and having the ownership of the vehicle assigned as "Junk" by owner. Titles are then forwarded to the Central Office in Lincoln where "Junking" designation is entered permanently on the database. Refunds for registration fees are pro-rated.

Manufacturer Buyback . . . Issued to anyone who is in possession of a vehicle with an alleged nonconformity when the vehicle has been replaced by a manufacturer or has been repurchased by a manufacturer as the result of a court judgement, arbitration, or any voluntary agreement entered into between the manufacturer or his agent and a consumer.

Salvage . . . Certificate of Title with "Salvage" brand is issued to any late model vehicle that has been wrecked, damaged or destroyed to the extent that the estimated total cost of repair to restore it to its condition prior to being wrecked, damaged or destroyed, and a condition for legal operation upon the highways, exceeds 75% of the retail value of the vehicle at the time the vehicle was wrecked, damaged or destroyed. When an insurance company acquires a vehicle through payment of a total loss settlement on account of damage, they are required to obtain a Salvage Certificate of Title. Any person who acquires ownership of a salvaged vehicle must apply within 30 days for a Salvage Certificate of Title. Title fee is paid in county where insurance company (agent) is based. Salvage vehicles may be issued a Certificate of Title that will carry "Previously Salvaged" in brand area. Sheriff's inspection is required for all Salvage vehicles. Out-of-state brands and notations are carried forward as "Salvage" or "Previously Salvaged" on the same area. *Code in Database: Yes*

Unrecovered Theft . . . Certificate of Title issued to the insurance company upon settlement of a claim. Non-transferable Certificate of Title will be issued on an unrecovered stolen vehicle to insurance company upon surrender of a foreign Certificate of Title upon payment of total loss claim due to theft. *Code In Database: None.*

Other Brands/Notations On Certificates Of Title . . . None.

Title Brands/Notations From Other Jurisdictions . . . Brands and notations are retained in the database and carried forward on all subsequent Certificates of Title. Any brands or notations indicating damage will be carried forward on the Nebraska title. Out-of-state brands and notations will be carried forward as they appear on the title. The jurisdiction that issued previous title will be indicated on Nebraska title with that jurisdiction's two alpha code. List of surrendered titles is forwarded every other month to issuing states.

Duplicate Title . . . Certificate of Title is reissued when the original title has been lost, stolen, mutilated or destroyed. Application may be made in person or by mail to any designated county official. Notarization is required. Title is mailed to the address requested. If a lien appears, title is mailed to lienholder. Expedited title service not available. Fee - \$14.00. *Code In Database: Yes.*

B. VIN INSPECTION/STATE ASSIGNED VINS

Circumstances For VIN Inspection . . . All foreign and used out-of-state vehicles require a VIN inspection prerequisite to titling. Inspection must be performed unless the following documents are provided: application for Salvage Title; a surrendered Nebraska Certificate of Title, an MSO, Importer's Statement of Origin, a U.S. Government Certificate of Release of a Motor Vehicle or a request for non-transferable Certificate of Title; IRP registration document. The 17-position VIN has been in use since 1981. No positions are dropped.

State Assigned VINS . . . Replacement VIN, issued by the Department of Vehicles, is attached to vehicle door-post or motorcycle frame. VIN contains 17 characters. 1-2

Second Stage Manufacturing Requirements . . . None.

OKLAHOMA

I. TITLES/REGISTRATIONS

Applications for title can be made at any Motor License Agent office or at the Motor Vehicle Division in Oklahoma City. Titles are issued by the Oklahoma Tax Commission in Oklahoma City and mailed to the address on the Title/Excise Tax Receipt. *Standard title fee* - \$11.00. Registrations are prepared and issued by Motor License Agents or the Motor Vehicle Division in Oklahoma City. Applications for registration can be made by mail.

A. SPECIAL TITLES, BRANDS AND NOTATIONS

Title brands are carried under the "Type of Title" and "Date of Insurance Loss or Salvage" section (See Exhibit "A"). All title brands are recorded in the State database.

Duplicate . . . Issued when the original title has been lost. The owner must submit a signed and notarized Application for Duplicate Title (See Exhibit "B"). Duplicate titles are issued from the Central Office in Oklahoma City upon approval by the Tax Commission. If a lien is to be released, the application must be accompanied by a Lien Release Form. Out-of-state application can be made. Standard title fee applies; \$1.00 additional fee for application by mail. *Record In Database:* Yes.

Flood Damage . . . The Certificate of Title (standard, salvage or rebuilt) is issued with the brand "DAMAGED BY FLOOD" electronically printed on the front. Issued for salvage or rebuilt vehicles damaged by flooding or for vehicles having been submerged in water up to or over the dashboard where the amount of loss was paid by the insurer. The "DAMAGED BY FLOOD" brand is carried forward on all subsequent titles issued. Standard title fee applies.

Junk . . . Certificate of Title (blue border) is issued with "JUNKED" brand printed on it. Junked title fee - \$4.00.

Rebuilt . . . The Certificate of Title is issued with the notation "REBUILT" in the type of title field. Issued when a salvage vehicle has been repaired and returned to operational condition. The vehicle must be inspected by a Motor License Agent prior to title issuance. The date of total loss or salvage is carried forward on all subsequent titles issued. Fee - \$11.00, plus a \$25.00 inspection fee and the registration fee.

Salvage . . . The Certificate of Title (See Exhibit "A") is issued with the brand "SALVAGE" printed on the front. Issued upon total loss settlement by an insurance company or when a vehicle is damaged 60% or more (based on the current market value). The date of insurance loss or salvage is printed directly below the title brand. Upon application, the original title must be surrendered. An insurance company, salvage dealer or individual can apply for a salvage title. The salvage date is carried forward on all subsequent titles issued. Standard title fee applies. Salvage vehicles can be repaired and reissued a Certificate of Title (See Rebuilt).

Title Brands/Notations From Other States . . . Brands will be carried forward with the Oklahoma equivalent when applicable. Out-of-state titles are microfilmed and shredded. A computerized list is returned to each issuing jurisdiction monthly.

B. VIN INSPECTION/STATE ASSIGNED VINS

Vehicle Identification Numbers (VINs) are carried on the Certificate of Title.

Circumstances For VIN Inspection . . . When application is made for an original Oklahoma title issued using an out-of-state title. Inspections are conducted by Oklahoma Tax Commission and Motor License agents. Fee - \$4.00. *The 17 position VIN* has been in use since 1981. If the VIN exceeds 17 positions, the first digits are dropped to create a 17 position number.

State Assigned VINS . . . Issued by the Oklahoma Tax Commission when the manufacturer's VIN has been altered, removed or destroyed. Assigned VINs are stamped on the left door jamb below the striker plate by the rebuilder. They display the prefix "OK." The state maintains manual records of state assigned VINs.

Second Stage Manufacturing Requirements . . . Upon title application, both MSOs are required. The VIN from the first stage manufacturer is carried on the title. The model and year of the second stage manufacturer is used.

C. ODOMETER REQUIREMENTS

Upon transfer of title, the buyer and seller must complete the odometer disclosure section on the Certificate of Title if title meets Federal Odometer Disclosure requirements or on a separate disclosure statement. Odometer reading and the brands "Actual," "Not Actual," "Exceeds Mechanical Limits" or "Odometer Discrepancy" are carried forward to subsequent titles. The reading is not verified. *Penalty:* Odometer tampering is a felony. *Odometer Reading In Database:* Yes, up to six positions can be carried.

D. ASSIGNMENTS/REASSIGNMENTS

Upon transfer of ownership, the seller must complete the assignment section on the reverse side of the Certificate of Title. Notarization is required. One assignment is allowed for private parties. Dealers are allowed as many reassignments as can be performed on the reverse side of the title. Final dealer must purchase a new title. *Reassignments In Database:* No. Documents are retained on microfilm. *Reassignment rider used:* No.

IOWA

I. TITLES/REGISTRATIONS

Titles and registrations are prepared and issued by the County Treasurer in the county of residence. For a non-resident, vehicle titles and registrations are prepared and issued by the Treasurer in the county where the primary user is located. Leased vehicles weighing less than 10,000 lbs. are titled and registered in the county of the lessee's residence. Application may be made in person or by mail. *Standard Title Fee* - \$10.00 plus \$5.00 surcharge.

A. SPECIAL TITLES/BRANDS AND NOTATIONS

Brands and notations are either computer generated and displayed in the "Make" or "Designation" section on the front of the title or stamped across the center of the back. See Exhibit "A."

Junking Certificate (See Exhibit "B") . . . Certificate of Title is surrendered and Junking Certificate is issued without fee after 14 day waiting period. Certificate of Title will not be issued again for a junked vehicle unless evidence is submitted verifying that a Junking Certificate was obtained in error or inadvertently. If application is denied, applicant may request judicial review. Notation of Sale of Component Parts form (See Exhibit "C") is required when parts are sold. Prorated refund or credit given on next registration.

Kit Vehicle or Glider Kit . . . The make, and model year of a kit vehicle are taken from Manufacturer's Certificate of Origin (MCO). Model is preceded by "KIT" on title and registration. Inspection required prior to titling (no fee). Standard title fee applies. State VIN assigned with "IA" followed by VIN from MSO.

Prior Salvage . . . Motor vehicle is required to be designated as "Prior Salvage" when an Iowa salvage title was issued and vehicle was rebuilt under Iowa law. The "Prior Salvage" notation is displayed on front of Iowa title and registration. Under a total loss settlement by insurance company, if damage is less than \$5,000, company may issue insurance certification, and title is issued in company's name without the "Prior Salvage" notation. Standard title fee.

Reconstructed . . . Certificate of Title issued with notation "REC" in the "Make" section. "Year" section indicates year the vehicle was reconstructed. "Model" section indicates year and make of vehicle from which it was reconstructed (e.g. REC 79 VOLK). Standard title fee applies. Inspection is required prior to titling (no fee). VIN is assigned with "IA" in the first two positions followed by five numbers.

Remanufactured . . . Certificate of Title issued with notation "RMFG" in the "Make" section. Issued to vehicle over 30,000 lbs. GVW. Minimum \$20,000 in expenses must be verified by work order or invoices at time of application. New parts must include a diesel engine and tires. Other parts may be new or rebuilt. Year indicates year vehicle was remanufactured. Inspection required prior to titling. Inspection Fee - Not over \$100.00. Standard title fee applies. VIN issued with "IA" in two lead positions followed by original chassis VIN.

Salvage (See Exhibit "A") . . . Certificate of Title is issued with the brand "SALVAGE". Stamped on the back, vehicle cannot be registered without salvage theft examination certificate or certification of insurance. Issued to a vehicle rebuilder or to a person in the business of buying and selling or exchanging motor vehicles of a type required to be registered in Iowa which has been wrecked or damaged. Also issued to an insurance company following a total loss settlement. Salvage fee - \$7.00. Salvage vehicle is defined as a wrecked or damaged motor vehicle subject to registration with GVWR less than 30,000 lbs. for which cost of repair exceeds 50% of fair market value. Salvage Certificate of Title may be assigned to: 1) an educational institution; 2) a new motor vehicle dealer, licensed under chapter 322; 3) a person engaged in the business of purchasing bodies, parts of bodies, frames or component parts of vehicles for sale or scrap metal; 4) a salvage pool; and 5) an authorized recycler, licensed under chapter 321H. Licensed new motor vehicle dealer or recycler may assign an Iowa salvage title to any person. Standard titling procedures and fees apply.

Specially Constructed . . . Certificate of Title issued with notation "SPC" in the "Make" section. Issued to vehicles constructed with new parts only. "Year" section indicates year vehicle was constructed. Inspection required prior to titling (no fee). Standard title fee applies. State VIN assigned with "IA" followed by five numbers.

Other Brands/Notations On Certificates Of Title . . . None.

Title Brands/Notations From Other Jurisdictions . . . "Reconstructed," "Kit," "Specially Constructed" and "Rebuilt" are brands carried forward on Iowa Certificates of Title.

Bonded . . . Certificate of Title is issued with the notation "This vehicle may be subject to an undisclosed interest" when ownership documents are not available. Owner must post a three year surety bond one and one-half times the current value of the vehicle. Standard title fee applies. *Code In Database:* None.

Duplicate . . . Certificate of Title is issued with "DUPLICATE" replacement stamped on bottom front when original title has been lost or destroyed. Application for a duplicate Iowa Certificate of Title (see Exhibit "D") may be made by mail or in person in county issuing original Certificate of Title. The title will be mailed to any address specified. Vehicle owner must sign application. Where there is a lien, lien holder must apply. Five day waiting period is required unless original title is surrendered. *Duplicate title fee* - \$15.00.

Non-transferable Registration . . . Iowa registration issued with notation "NITN" (No Iowa Title Number) in title number section when an out-of-state title is held by and out-of-state lien holder. Vehicle cannot be transferred. Iowa license plates are issued.

COLORADO

I. TITLE

Applications for title are submitted to the local County Clerk and Recorder's office in the county of residence. In Denver County applications are submitted to the Manager of Revenue. Titles are issued by the Title Section of the Department of Revenue, Motor Vehicle Division in Lakewood. **Standard Title Fee** - \$6.50. Duplicate titles, titles for vehicles previously titled in Colorado and MSO title applications with no liens may be printed at the county office. Registrations are prepared and issued by the local County Clerk and Recorder's office. In Denver County, registrations are prepared and issued by the Manager of Revenue. Plates are issued when the vehicle is registered.

A. SPECIAL TITLES, BRANDS AND NOTATIONS

Title brands and notations are displayed on the Certificate of Title with an abbreviated designator in the "MAKE" field. No special codes are used. The wording "Rebuilt from Salvage" will appear on titles.

Duplicate . . . The Certificate of Title is reissued with the notation "DUPLICATE" at the top of the document when original is lost, stolen or mutilated. The original title and all previous duplicate titles are then "voided". Duplicate Title Request and Receipt (See Exhibit "B") is submitted at the local County Motor Vehicle Office or directly to the State Motor Vehicle Title Section. Applications can be made by mail on Duplicate Application Form DR 2539A. The duplicate title is mailed to the lien holder if a lien is in effect, or to the owner if no active liens exist. Fee - \$8.20.

Homemade . . . The Certificate of Title is reissued with the brand "HMD" in the make section. Issued for vehicles which are assembled by non-manufacturers so that the final product does not resemble a standard or original manufacturer's design. Model year is date of application. Upon application the receipts, MCO and/or any previous titles for vehicle parts used in assembly, and a certified Colorado Vehicle Inspection verification (See Exhibit "C") must be surrendered. A special VIN is assigned by the State Title Section. Standard title fee applies.

Kit . . . Certificate of Title is issued with "KIT" in the make section. Issued when a vehicle has been assembled from a manufactured kit, either as a new vehicle (prefab body and chassis) or a kit composed of a prefab body mounted to an existing vehicle chassis and drive train. Model year indicates year of manufacture. Upon application, the receipts, MCO and/or any previous titles for vehicles used in assembly, and a certified Colorado Vehicle Inspection Verification (See Exhibit "A") must be submitted. A special VIN is assigned by the State Title Section. Standard title fee applies plus \$2.20 for each title search.

Manufactured Home Title . . . Issued for all wheeled vehicles which exceed either eight feet in width or forty feet in length and provide temporary or permanent living quarters. Standard title fee applies. \$6.50/\$5.50 Dup.

Rebuilt . . . The Certificate of Title is issued with "REB" in the MAKE section. Issued when a vehicle is assembled using either new or used parts for two or more commercially manufactured vehicles and has been altered in such a manner that it does not resemble a commercially manufactured vehicle. The model year is the date of title application. Upon application, the receipts, bills of sale for non-VIN parts and/or any previous titles for vehicle parts used in the assembly, and a certified VIN Verification Inspection (See Exhibit "C") must be submitted. A special VIN is assigned by the State Title Section. Standard title fee applies.

Reconstructed . . . The Certificate of Title is issued with "R" in front of the first two letters of the make in the MAKE section. Issued when a vehicle is constructed from two or more commercially manufactured vehicles of the same type, which has not been altered and is recognizable as a commercially manufactured vehicle of a given year. The model year indicates the year the vehicle most resembles. Upon application, the receipts, bills of sale for non-VIN parts and/or any previous titles for vehicle parts used in the assembly, and a certified VIN Verification Inspection (See Exhibit "C") must be submitted. A special VIN is assigned by the Title Section of the DMV (See "State Assigned VIN" section for configuration). Standard title fee applies.

Salvage . . . Certificate of Title is issued with the brand ****SALVAGE TITLE**** printed at the top under "Certificate of Title" (See Exhibit "A") for a vehicle less than eight (8) years old, damaged to the extent that cost of repair exceeds retail fair market value immediately prior to damage. When vehicle is repaired to road worthy condition, all will designate rebuilt from salvage-subsequent titles will carry S in upper left hand portion of title to indicate vehicle was previously salvage. S also carried forward to represent previous state's salvage notations. Title will also designate "Rebuilt from Salvage". Standard title fee applies.

Other Brands/Notations On Certificates Of Title . . . None.

Title Brands/Notations From Other States . . . Salvage brands are carried forward and shown as S if compatible with Colorado law or Director's ruling, and also with database requirements.

B. VIN INSPECTION/STATE ASSIGNED VINS

The manufacturer's VIN or the state assigned VIN is carried on the Certificate of Title, registration certificate and in the database.

Circumstances For VIN Inspection . . . VIN verification (See Exhibit "D") is required when: 1) a vehicle is titled in the state for the first time; 2) a vehicle is being transferred on an MCO assigned to an out-of-state dealer; 3)

MISSOURI

I. TITLES/REGISTRATIONS

Title application is made at the Central Office of the Department of Revenue in Jefferson City or Branch and Fee Offices throughout the state. *Standard Title Fee* - \$8.50; allow 15-20 days for issuance; expedited title - additional \$5.00 (7-10 days for issuance). Registrations are prepared and issued at Branch Offices, Fee Offices and the Central Office.

A. SPECIAL TITLES, BRANDS AND NOTATIONS

Brands and notations are electronically produced on the upper portion of the Certificate of Title, and carried forward on all subsequent titles issued as well as in the state database (See Exhibit "A").

Bonded . . . Certificate of Title is issued with notation "BONDED VEHICLE" for vehicle or trailer seven years old or more that is without standard supporting documents. Vehicle value must not exceed \$3,000. Notarized affidavit must be submitted to explain acquisition of vehicle and reasons no certificate of ownership is available. Also required: other evidence of ownership, title verification from another state, notarized lien release, vehicle examination certificate, odometer disclosure statement, surety bond or financial security agreement, standard registration and title fees, and evidence of payment of state/local tax. Notation is carried forward.

Duplicate . . . Certificate of Title is reissued with the notation "DUPLICATE" when the original has been lost, stolen or mutilated. Notarized statement is required upon application which can be made in person or by mail at any branch or fee office. If a lien was recorded on the original title, the duplicate will be mailed to the lien holder unless a notarized lien release is submitted with the application. Branded codes are displayed on duplicate title. Standard title fee applies.

Junking Certificate (See Exhibit "B") . . . Issued when a vehicle is sold for parts, scrapped or junked (not for rebuilt or reconstructed vehicles). The existing Certificate of Title is surrendered; the VIN plate is not. Junking Certificate allows holder to possess, transport or transfer ownership of the vehicle for parts, scrap or junk. It cannot be surrendered for any other Missouri Certificate of Title unless the initial purchaser rescinds application for the Junking Certificate within ninety days. Fee - None.

Kit . . . The Certificate of Title is issued with the brand "Specially Constructed" when a motor vehicle is assembled by someone other than manufacturer using a glider kit replica purchased from authorized manufacturer. The MSO and affidavit (See Exhibit "C") must be submitted upon application. A vehicle inspection through the Highway Patrol or Auto Theft Unit in St. Louis city and county is a prerequisite to issuing title. An inspection form is obtained from the Central Office or branch or fee offices. Inspection Fee - \$25.00.

Motor Change . . . The Certificate of Title is issued with the brand "MOTOR CHANGE" when a vehicle manufactured prior to August, 1957, receives a new rebuilt or used engine. The original body number becomes the VIN, or a 10 position VIN will be assigned by the state or if the same make and year of engine is installed, the engine number is used as the VIN. Same inspection requirements as for "Kit."

Non-USA-Std . . . The Certificate of Title is issued with the brand "Non-USA-Std" to a motor vehicle not originally manufactured in compliance with U.S. emissions or safety standards. Same inspection requirements as for "Kit."

Rebuilt . . . The Certificate of Title is issued, unbranded, for a vehicle repaired or restored to its original appearance and design using sheet metal and/or new or used parts (e.g. bumpers or hood) of the same vehicle make, model or description. Receipts identifying parts used, notarized bills of sale for major component parts, copies of titles of vehicles from which major component parts were obtained, and an affidavit (See Exhibit "C") must be submitted upon application. An inspection is also required. Same inspection requirements as for "Kit."

Reconstructed . . . The Certificate of Title is issued with the brand "RECONSTRUCTED" when a vehicle has been repaired, assembled or reconstructed using at least two major new or used components. Major components include front clip, rear clip, cowl, frame, body, cab and front end assembly. Receipts identifying parts used, notarized bills of sale for major component parts, copies of titles of vehicles from which major component parts were obtained, and an affidavit (See Exhibit "C") must be submitted upon application. An inspection by Highway Patrol (or Auto Theft Unit in St. Louis city/county) is also required. Fee - \$25.00. A 10 position VIN may be assigned by the State. The brand is carried forward on subsequent Certificates of Title.

Salvage Certificate of Title (See Exhibit "B") . . . Issued when a vehicle is sold for salvage, dismantling or rebuilding or upon a total loss settlement by an insurance company. Application may be made by the individual or secured party. Insurance company is required by law to apply for the Salvage Title. Standard title fee applies; no fee when an insurance company settles a claim for a stolen vehicle. Application and affidavit attesting to the theft must be submitted within thirty days of settlement.

Specially Constructed . . . The Certificate of Title is issued with the brand "SPECIALLY CONSTRUCTED" for a motor vehicle not originally constructed under a distinctive name, make, model or type by a manufacturer of motor vehicles (e.g. Dune Buggy). A 10 position VIN is assigned by the State. Copies of titles of the vehicles from which major component parts were obtained, notarized bills of sale for major component parts, receipts for other parts, an affidavit (See Exhibit "C") and photographs of the vehicle must be submitted upon application. An inspection is

ILLINOIS

I. TITLES/REGISTRATION

Title applications may be submitted to Secretary of State branch offices, or mailed to Office of Secretary of State, Vehicle Titles Division, Springfield, where titles are issued. Registrations prepared and issued at Secretary of State branch offices. *Standard Title Fee*: - \$65.00.

A. SPECIAL TITLES

Brands and notations are displayed on the face of the Certificate of Title in the "Legends" section (See Exhibit "A").

Junking Certificate (See Exhibit "C") . . . Issued to vehicles no longer operating on public highways. Junking Certificate, verified shipping manifest, junking notification form, or uniform invoice required to transport junk vehicles. Junking Certificate will not be reissued as Illinois Certificate of Title. Fee - None. *Records in Database*: Yes.

Rebuilt (See Exhibit "C") . . . Certificate of Title issued with a "REBUILT" brand computer printed in the "Legend" section for prior salvage vehicles. Two inspection certificates required prior to titling: 1) safety inspection for vehicles less than nine years old; 2) inspection for VIN and essential parts by Secretary of State Police. Inspection Fee - \$94.00. Salvage Certificate is surrendered, Inspection Certificate and receipts identifying parts used in rebuilding must be submitted prerequisite to titling. Standard title fee applies. "REBUILT" designation will never be removed from the database unless vehicle was an undamaged recovered stolen vehicle.

Salvage Certificate (See Exhibit "B") . . . Issued to any owner or insurance company upon declaration that a vehicle is salvage. Total loss claims for vehicles less than nine years old, repossessed, flood or fleet vehicles with 33 1/3 % damage or more, must be declared salvage. Buyers of state-auctioned abandoned vehicles may apply for Salvage Certificate. Fee - \$4.00. Salvage Certificate may only be assigned to a licensed rebuilder, scrap processor or used parts dealer. The salvage designation may only be removed if the vehicle is a recovered stolen vehicle which has not been damaged.

Special Constructed . . . Certificate of Title is issued with notation "SPEC CONST." A state assigned VIN with "SOS" followed by five or more numbers and "ILL" is attached to the left doorpost. Vehicle inspection is a prerequisite for titling. Standard title fee applies. Designation cannot be removed from document or database.

Other Brands/Notations On Certificates Of Title . . . "NOT FOR HIGHWAY USE" is indicated when vehicle is manufactured for non-highway use. Odometer notations are also displayed. "FLOOD" is indicated when vehicle has been submerged in water over the door sill and water has entered the trunk or passenger area.

Title Brands/Notations From Other Jurisdictions . . . Those recognized by Illinois are carried forward on documents and in the database.

Bonded Title . . . When vehicle ownership is in question, Certificate of Title or Salvage Certificate is issued after a proof of ownership document is surrendered and bond is posted, as prescribed by the Secretary of State. Standard title fee applies.

Corrected Title . . . Certificate of Title is re-issued with notation "CORRECTED" in title type field to correct errors or to add a lien. Standard title fee applies.

Duplicate Title . . . Certificate of Title is issued with notation "DUPLICATE" in title type field. State must have a title record in applicant's name. In case of multiple owners, a duplicate title may be issued to change ownership status after written affirmation releasing all interest has been submitted. Liens may be removed in the same manner. Other incorrect information on the original title may also be corrected when verified by state records. Special mailing instructions authorized by the owner will be followed. Message on duplicate titles is printed to indicate ownership: "This is a duplicate certificate and may be subject to the rights of a person under the original certificate." Standard title fee applies.

B. VIN INSPECTION/STATE ASSIGNED VINS

Circumstances For VIN Inspection . . . Required for re-certifying a salvage vehicle to on-road use, and for titling a specially constructed vehicle. *The 17 position VIN* has been in use since 1981. No positions are dropped.

State Assigned VINS . . . Lost, stolen, mutilated or destroyed VINs will, upon verification, be reissued the original number. Requests for replacement are submitted to the State Police. Replacement VINs are attached to the left doorpost. For specially constructed vehicles, the first 3 positions are "SOS," followed by five or more numbers and "ILL." Homemade trailers are assigned a VIN with "TD" in the first two positions, followed by five numbers.

Second Stage Manufacturing Requirements . . . Both first and second stage MCOs are surrendered. VIN, model year and make for both stages are carried on the document. Chassis VIN is carried in the database.

C. ODOMETER REQUIREMENTS

To transfer ownership, seller must complete odometer statement on reverse side of title. Current odometer reading required on duplicate and corrected titles. Odometer notations printed in "Legend" area of title may be: "Actual

Transportation Committee meeting to review Bill No.474 Presented by The Honorable Senator Hensley. Testimony by Ron Alexander (proponent) February 24, 2004

V endorsement for driver's license to operate 12 and 15 passenger vans

12 and 15 passenger vans are widely used by daycares, YMCA, church groups, transport of youth to sporting events and many other uses other than by personal use for individual families. These vehicles are of a larger class than those for personal use. Their use is not regulated when used in a non-commercial function. These vans have a higher propensity to rollover than other passenger vehicles. They have a severe possibility to rollover when drivers make sudden corrections or when there is a blowout. Untrained drivers are unaware of these properties, which add to the rollover risk. The Motor Vehicle Safety Act prohibits the sale or lease to a school or school district of any new vehicle with a capacity of more than 10 that is used significantly to transport students to or from school or related activities if that vehicle does not meet stringent federal school bus safety standards. Kansas law allows the use of 11-15 passenger vans for other than to and from school events and we are doing so with unskilled drivers.

On July 14, 1998, our daughter of age 15 was killed in a van accident in Junction City, Kansas. Returning from a mission's trip to Phoenix, Arizona. When the left rear tire blew out on the 15 passenger van, the driver, whom was trained to handle heavy equipment in the National Guard, heavily applied the van brakes, causing braking marks on the highway of extended length, until the van curved into the guardrail, causing the van to rollover on top of the guardrail, and continue to roll several times, throwing several of the youth out of the van. The application of brakes at time of blowout shows lack of knowledge to necessary reaction to that occurrence. If we had known of the problems with these vans and the necessity of skilled drivers, we would not have allowed our daughter to go on this trip.

The reason for the need of this bill is to help secure the safety of our children, grandchildren and others when transported in these vehicles. Most 15 passenger van rollover accidents refer to loss of control. This means unskilled and under qualified drivers. This bill requires a written and skills test, which requires the individual to secure some training to pass. And limits the driver age, to not below 18 years of age. This bill will provide an example for other states to follow.

Other recommendations to the need for this law: The NTSB report of July 15, 2003 States we must do more to protect children and adults who travel in 15 passenger vans, and recommended that all states establish a driver's license endorsement for 15 passenger vans requiring drivers to complete a training program on the operation of these vehicles and pass a written and skills test. KDOT Release of August 8, 2003, statement by Rosalie Thornburgh, chief of the Bureau of Traffic Safety, notes these vans should be driven by someone with training and experience. This report states from 1991 to 2000, 81 percent of all 15-passenger van occupant fatalities occurred in single vehicle rollover accident. This again implies to drivers inability to handle these vehicles.

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August 8, 2003 Release 03-105

FOR IMMEDIATE RELEASE

For more information, contact:

Rosalie Thornburgh or Pati Pomeroy

KDOT Bureau of Traffic Safety: (785) 296-3756

KDOT: 15-passenger vans have high rollover rate making seat belts a must

The Kansas Department of Transportation, Bureau of Traffic Safety is reminding Kansans that vans that carry 15 passengers – popular among church and community groups – have a high propensity to roll over in certain circumstances, making the use of seat belts an absolute priority.

According to the National Highway Traffic Safety Administration, the risk of rollover increases as the number of passengers grows. In fact, 15-passenger vans with 10 or more occupants have a rollover rate in single-vehicle crashes that's nearly three times the rate of those that were lightly loaded.

"There are precautions that can be taken to minimize the danger of traveling in a 15-passenger van," said Rosalie Thornburgh, chief of the Bureau of Traffic Safety. "For example, these vans should be driven by someone with training and experience. Because of the high center of gravity, the vans react differently than a typical car when the driver is executing some sudden maneuver. And the use of seat belts at all times, in all seating positions is a must."

The vans become more and more top-heavy as the number of passengers, and the amount of cargo, increases. Because of that high center of gravity, vans can become unstable when a driver makes a sudden maneuver, such as swerving. More than 90 percent of rollover

accidents involving 15-passenger vans occur after a driver has lost control of the vehicle and run off the road, often after a wheel or wheels dropped off the pavement.

Between 1990 and 2000 in the U.S., 864 occupants of 15-passenger vans died in crashes, 424 of them in single vehicle rollover crashes. From 1991 to 2000, 33 percent of passenger vehicles involved in single-vehicle, fatal accidents experienced a rollover compared to 52 percent for 15-passenger vans. Also, 31 percent of all 15-passenger van occupant fatalities occurred in single-vehicle rollover accident.

NHTSA is so concerned about the rollover risk that it is considering adding labels warning of the dangers – and urging seat belt use – inside the passenger compartments on vans.

Seat belt use is critical for passengers of large vans. NHTSA reports 80 percent of those who died in 15-passenger van rollovers in 2000 were not buckled up. In the past decade, 92 percent of van passengers who were wearing seat belts during a single-vehicle rollover survived.

In addition to buckling up, Thornburgh also stressed the importance of routinely checking pressure and tread wear on tires.

NTSB CITES DRIVERS' INABILITY TO CONTROL 15-PASSENGER VANS FOLLOWING TIRE FAILURES, RECOMMENDS DRIVERS' LICENSE ENDORSEMENT, RECLASSIFICATION

Washington, D.C. - The National Transportation Safety Board today determined that the probable cause of two crashes involving 15-passenger vans was tire failure, the drivers' response to that failure and the drivers' inability to maintain control of their vans in an emergency. The Safety Board concluded that the safe operation of 15-passenger vans requires a knowledge and skill level different and above that for passenger cars, particularly when the vans are fully loaded or drivers experience an emergency situation.

"The NTSB's recommendations are based on fact, science and data and our analysis in these accidents demonstrate that we must do more to protect children and adults who travel in 15-passenger vans," said Ellen G. Engleman, NTSB Chairman. "Our recommendations are attainable, doable and will make an immediate impact for safety."

As a result of these accidents, the Safety Board recommended that the 50 states and the District of Columbia establish a driver's license endorsement for 15-passenger vans requiring drivers to complete a training program on the operation of these vehicles and pass a written and skills test. The Board also recommended that the National Highway Traffic Safety Administration (NHTSA), in developing long-term performance requirements for tire pressure monitoring systems, adopt more stringent detection standards than 25 or 30 percent below manufacture-recommended levels, since the pressure at those levels can have an adverse effect on handling of vehicles, such as 15-passenger vans.

On May 8, 2001, a 1993 15-passenger Dodge van with a driver and 11 passengers, all members of the First Assembly of God Church, was traveling on U.S. Route 82 near Henrietta, Texas, at approximately 67 miles per hour. The left rear tire blew out, causing the van to leave the roadway and roll over several times. The driver and three passengers died.

On July 15, 2001, a 1989 Dodge Ram 15-passenger van with a driver and 13 passengers, owned by Virginia Heights Baptist Church of Roanoke, Virginia, was traveling at approximately 65 mph on U.S. Route 220, near Randleman, North Carolina. The van experienced a tread separation and blow out. The driver attempted to correct the rotation of the vehicle, but was unable to regain control and the van was rolled over. One person died in the accident.

The National Highway Traffic Safety Administration classifies 12- and 15-passenger vans as buses. However, the Federal Motor Carrier Safety Administration considers the commercial vehicles only if they are used for compensation. Therefore a driver who is not operating the vehicle for compensation can operate a 12- or 15-passenger van without additional training despite NHTSA's statement in its consumer advisory that these have a different operating characteristic from passenger cars.

Contributing to the accidents was the deterioration of tires, which was caused by the churches' lack of tire maintenance. The drivers failed to check the condition of their tires for cracking and dry rot. The tires on these vans had become rotten from UV damage, age, limited use, and being operated in under-inflated conditions.

Contributing to the severity of the accidents was the lack of appropriate Federal Motor Vehicle Safety

Standards applicable to 15-passenger vans in the area of restraints and occupant protection.

In the Henrietta, Texas accident, only two persons were wearing lap/shoulder belts. Seven passengers were ejected. In the Randleman, North Carolina accident, the driver was wearing a lap shoulder belt and the front-seat passenger was wearing the lap portion of a lap/shoulder belt. Four passengers were ejected.

In Texas, the law requires that passengers in the front seat of a vehicle wear seat belts. Passenger vehicles include cars, light trucks, sports utility vehicles, trucks, and truck tractors. It does not include 15-passenger vans.

North Carolina law requires that all drivers and front- seat passengers ages 16 and older must have a seat belt properly fastened to their bodies at all times when the vehicle is on a street or highway. Children under 16 must use age- appropriate child restraints or wear seat belts in all seating positions of any vehicle (including 15-passenger vans) required by law to be equipped with seat belts.

Simulations, conducted by the Safety Board, of the Henrietta accident show that the passengers would not have been ejected nor would they have received such serious injuries if they had been wearing lap/shoulder belts. Accordingly, the Board recommended that adjustable lap/shoulder belts be installed in all seating positions in 15- passenger vans.

Although the most frequent harmful contact points for non-ejected occupants are the roof, pillars, rails, and headers, 15-passenger vans are not required to meet the same occupant protection and roof crush standards that passenger vehicle have to meet, despite the fact that they are used in a manner similar to passenger cars.

Therefore, the Board recommended the voluntary development and installation of technologies to provide upper interior component protection within 15-passenger vans by model year 2006 and that the compromised interior space be minimized.

Additional recommendations include:

To the National Highway Safety Administration:

In cooperation with the Federal Motor Carrier Administration, revise your definitions of buses and commercial motor vehicles to apply consistently to 12 and 15 passenger vans, taking into account the unique operating characteristics and multiple functions of these vans.

To Texas and Virginia:

Require that all passenger vehicle inspections include (1) tire pressure measurements and correction of inflation deficiencies detected and (2) identification and failure of those tires that exhibit extensive weather checking deterioration or that are not properly load-rated.

In 1999, the Board issued seven recommendations in its Special Investigation Report, Pupil Transportation in Vehicles Not Meeting Federal Schoolbus Standards. The Board recommended that States, Head Start, and day care centers prohibit the transportation of school children in 15-passenger vans and use appropriate restraints in vehicles so equipped.

In 2002, the Safety Board issued four recommendations in its Safety Report, Evaluation of Rollover

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Propensity of 15- Passenger Vans. The Board asked NHTSA to rate and publish the rollover risk of 15-passenger vans as part of NHTSA's New Car Assessment Program and to work with van manufacturers to develop electronic stability control systems that would help prevent rollovers.

Both studies are available on our web site.

A summary of this report is available now on the NTSB Web site at <http://www.nts.gov>, under "Publications"; the complete report will also be posted at that location in a few weeks. Soon afterwards, printed copies will be available for purchase through the National Technical Information Service.

NTSB Press Contact: Terry N. Williams, (202) 314-6100

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Legislative Testimony

Presented by Bill Davenport
Before the Senate Transportation Committee
Senator Les Donovan, Chairman
Tuesday, February 24, 2004

Mr. Chairman and members of the Senate Transportation Committee, I am Bill Davenport, I appear here this morning in opposition of Senate Bill 474 as it is written.

I come from a large family and our primary vehicle has been a 15 passenger van for more than 6 years. My older brother and I learned to drive in a 15 passenger van under the instruction of our parents beginning when we received our learners permit at ages 14 and 15. We both took our driving test to receive our licenses in our 15 passenger van and passed with no difficulty.

I was taught that driving is a privilege and we have to drive responsibly and always keep alert for the actions of others. I learned how to operate a larger vehicle and was taught that you never drive or ride in a vehicle without using your safety belt. I also was constantly reminded of the need for an adequate safety cushion between my vehicle and the vehicle in front of me.

Since it is a primary family vehicle, we use our 15 passenger van to do all activities families usually use their vehicles for, such as going to the store or ball practice. I also use it for hauling materials for home projects much like some people use pick-up trucks.

I know several other large families who also use 12-15 passengers vans as their personal family vehicle. These families also benefit from their children younger than 18 being able to drive their 12-15 passenger vans as the source of personal family transportation.

It would be a great burden on our family and many others like ours to be unable to have their children between the ages of 16 and 18 drive their family vans for personal use.

I am aware of the Consumer Advisory the National Highway Transportation Safety Administration issued for 15 passenger vans following a study of rollover accidents. The target audience for this advisory was colleges, community organizations and church organizations that were using 15 passenger vans for group trips. Inexperience and fatigue were cited as the main cause of these serious traffic accidents involving 15 passenger vans. The serious injuries and deaths in these accidents were the result of the passengers not wearing their safety belts and being ejected. In fact, 80% of the fatalities in the study were the result of lack of safety belt use.

I was properly trained and have the experience needed to operate our 15 passenger van and do not feel I should lose the privilege to operate our family vehicle for personal use. I also do not feel it is necessary for someone using a 12-15 passenger van for "personal" use to be required to obtain a "V" endorsement. I am familiar with the Commercial Drivers License law and know a CDL is not required for personal use vehicles.

I thank you for the opportunity to appear and would be happy to respond to any questions you may have.

SENATE TRANSPORTATION COMMITTEE
DATE 02-24-04
ATTACHMENT: 3

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