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H.784

Introduced by Representatives LaClair of Barre Town, Brownell of Pownal,
Gannon of Wilmington, Gardner of Richmond, Gregoire of
Fairfield, Harrison of Chittenden, Hooper of Burlington,
Kitzmiller of Montpelier, Morgan of Milton, Seymour of
Sutton, Smith of New Haven, and Toof of St. Albans Town

Referred to Committee on

Date:

Subject: Motor vehicles; title

Statement of purpose of bill as introduced: This bill proposes to modify the
title exemption for older vehicles and require the Department of Motor
Vehicles to automatically issue a certificate of title for certain vehicles.

An act relating to modifying the title exemption for older vehicles

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 23 V.S.A. § 2012 is amended to read:

§ 2012. EXEMPTED VEHICLES

No certificate of title need be obtained for:

* * *

(10) a vehicle that is ~~more than 15 years old~~ model year 2005 or earlier.

1 Sec. 2. 23 V.S.A. § 2013(a) is amended to read:

2 (a)(1) Except as provided in section 2012 of this title, the provisions of this
3 chapter shall apply to and a title must be obtained for all motor vehicles at the
4 time of first registration or when a change of registration is required under the
5 provisions of section 321 of this title by reason of a sale for consideration.

6 (2) In addition, a Vermont resident may apply at any time to the
7 Commissioner to obtain an “exempt vehicle title” for a vehicle that is ~~more~~
8 ~~than 25 years old~~ model year 2005 or earlier. Such titles shall be in a form
9 prescribed by the Commissioner and shall include a legend indicating that the
10 title is issued under the authority of this subdivision. The Commissioner shall
11 issue an exempt vehicle title if the applicant pays the applicable fee and fulfills
12 the requirements of this section, and if the Commissioner is satisfied that:

13 * * *

14 Sec. 3. 23 V.S.A. § 2017 is amended to read:

15 § 2017. ISSUANCE OF CERTIFICATE; RECORDS

16 (a) The Commissioner shall file each application received and, when
17 satisfied as to its genuineness and regularity and that the applicant is entitled to
18 the issuance of a certificate of title, shall issue a certificate of title of the
19 vehicle.

20 (b) The Commissioner shall maintain at his or her central office a record of
21 all certificates of title issued by him or her ~~for vehicles 15 years old and newer,~~

1 and of all exempt vehicle titles issued by him or her, under a distinctive title
2 number assigned to the vehicle; under the identification number of the vehicle;
3 alphabetically, under the name of the owner; and, in the discretion of the
4 Commissioner, by any other method he or she determines. The original
5 records may be maintained on microfilm or electronic imaging.

6 Sec. 4. 23 V.S.A. § 2091(a) is amended to read:

7 (a) Except for vehicles for which no certificate of title is required pursuant
8 to section 2012 of this title ~~and for vehicles which are more than 15 years old,~~
9 any person who purchases or in any manner acquires a vehicle as salvage; any
10 person who scraps, dismantles, or destroys a motor vehicle; or any insurance
11 company or representative thereof who declares a motor vehicle to be a total
12 loss, shall apply to the Commissioner for a salvage certificate of title within
13 15 days of the time the vehicle is purchased or otherwise acquired as salvage;
14 is scrapped, dismantled, or destroyed; or is declared a total loss. However, an
15 insurance company or representative thereof proceeding under subsection (c)
16 of this section may apply outside this 15-day window to the extent necessary to
17 comply with the requirements of that subsection.

18 Sec. 5. ISSUANCE OF CERTIFICATE OF TITLE

19 (a) Notwithstanding 23 V.S.A. § 2002(a)(1), the Commissioner of Motor
20 Vehicles shall issue, without requiring application, and send a certificate of
21 title to the first listed registered owner of every motor vehicle required to be

1 registered pursuant to 23 V.S.A. § 301 that is more than 15 years old and not
2 otherwise exempted pursuant to 23 V.S.A. § 2012 for which the Commissioner
3 has not already issued a certificate of title with certificates of registration
4 issued pursuant to 23 V.S.A. §§ 302 and 304 between January 1, 2021 and
5 December 31, 2022.

6 (b) The certificate of title issued pursuant to subsection (a) of this section
7 shall contain all of the information required pursuant to 23 V.S.A. § 2018(a)
8 and (c) except that in lieu of information on any lienholders the certificate shall
9 contain an appropriate legend as determined by the Commissioner. If no
10 notice of a security interest in the vehicle is received by the Commissioner
11 within four months after the issuance of the distinctive certificate of title, he or
12 she shall, upon application and surrender of the distinctive certificate of title,
13 issue a certificate of title in ordinary form.

14 (c) The Commissioner shall check the identification number of each motor
15 vehicle for which he or she would be issuing a certificate of title pursuant to
16 subsection (a) of this section against the records of vehicles required to be
17 maintained by 23 V.S.A. § 2017(b) and against the record of stolen and
18 converted vehicles required to be maintained by 23 V.S.A. § 2084(d).

19 (d) Notwithstanding subsection (a) of this section, the Commissioner shall
20 withhold the certificate of title if he or she determines that the motor vehicle is

1 stolen or converted and the Commissioner's decision shall be subject to

2 23 V.S.A. §§ 2004 and 2005.

3 Sec. 6. EFFECTIVE DATES

4 (a) Sec. 1 (exempted vehicles) shall take effect on January 1, 2023.

5 (b) All other sections shall take effect on passage.