

SENATE BILL No. 95

By Committee on Transportation

1-28

1 AN ACT concerning motor vehicles; relating to odometer requirements
2 upon transfer of vehicle; exempting certain odometer certification
3 requirements; amending K.S.A. 2020 Supp. 8-135 and repealing the
4 existing section.
5

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

7 Section 1. K.S.A. 2020 Supp. 8-135 is hereby amended to read as
8 follows: 8-135. (a) Upon the transfer of ownership of any vehicle
9 registered under this act, the registration of the vehicle and the right to use
10 any license plate thereon shall expire and thereafter there shall be no
11 transfer of any registration, and the license plate shall be removed by the
12 owner thereof. Except as provided in K.S.A. 8-172, and amendments
13 thereto, and 8-1,147, and amendments thereto, it shall be unlawful for any
14 person, other than the person to whom the license plate was originally
15 issued, to have possession thereof. When the ownership of a registered
16 vehicle is transferred, the original owner of the license plate may register
17 another vehicle under the same number, upon application and payment of a
18 fee of \$1.50, if such other vehicle does not require a higher license fee. If a
19 higher license fee is required, then the transfer may be made upon the
20 payment of the transfer fee of \$1.50 and the difference between the fee
21 originally paid and that due for the new vehicle.

22 (b) Subject to the provisions of K.S.A. 8-198(a), and amendments
23 thereto, upon the transfer or sale of any vehicle by any person or dealer, or
24 upon any transfer in accordance with K.S.A. 59-3511, and amendments
25 thereto, the new owner thereof, within 60 days, inclusive of weekends and
26 holidays, from date of such transfer shall make application to the division
27 for registration or reregistration of the vehicle, but no person shall operate
28 the vehicle on any highway in this state during the sixty-day period
29 without having applied for and obtained temporary registration from the
30 county treasurer or from a dealer. After the expiration of the sixty-day
31 period, it shall be unlawful for the owner or any other person to operate
32 such vehicle upon the highways of this state unless the vehicle has been
33 registered as provided in this act. For failure to make application for
34 registration as provided in this section, a penalty of \$2 shall be added to
35 other fees. When a person has a current motorcycle or passenger vehicle
36 registration and license plate, including any registration decal affixed

1 thereto, for a vehicle and has sold or otherwise disposed of the vehicle and
2 has acquired another motorcycle or passenger vehicle and intends to
3 transfer the registration and the license plate to the motorcycle or
4 passenger vehicle acquired, but has not yet had the registration transferred
5 in the office of the county treasurer, such person may operate the
6 motorcycle or passenger vehicle acquired for a period of not to exceed 60
7 days by displaying the license plate on the rear of the vehicle acquired. If
8 the acquired vehicle is a new vehicle such person also must carry the
9 assigned certificate of title or manufacturer's statement of origin when
10 operating the acquired vehicle, except that a dealer may operate such
11 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
15 ownership and apply for an original certificate of title for such vehicle.
16 The following paragraphs of this subsection shall apply to the issuance of
17 a 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
21 electronic certificate of title, except to the extent such paragraphs are made
22 inapplicable by or are inconsistent with K.S.A. 2020 Supp. 8-135d, and
23 amendments thereto, or with rules and regulations adopted pursuant to
24 K.S.A. 2020 Supp. 8-135d, and amendments thereto.

25 The provisions of paragraphs (1) through (14) shall apply to any
26 certificate of title issued prior to January 1, 2003, which indicates that
27 there is 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
36 members of the armed forces of the United States while the United States
37 is 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 shall
40 use reasonable diligence in ascertaining whether the facts stated in such
41 application are true, and if satisfied that the applicant is the lawful owner
42 of such vehicle, or otherwise entitled to have the same registered in such
43 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 as
4 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. This assignment shall
7 contain a statement of all liens or encumbrances on the vehicle at the time
8 of assignment. The certificate of title shall also contain on the reverse side
9 blank spaces so that an abstract of mileage as to each owner will be
10 available. The seller at the time of each sale shall insert and certify the
11 mileage and the purchase price on the form filed for application or
12 reassignment of title, and the division shall insert such mileage on the
13 certificate of title when issued to purchaser or assignee. The signature of
14 the purchaser or assignee is required on the form filed for application or
15 reassignment of title, acknowledging the odometer and purchase price
16 certification made by the seller, ~~except that those vehicles which are 10~~
17 ~~model years or older and trucks with a gross vehicle weight of more than~~
18 ~~16,000 pounds shall be exempt from the mileage acknowledgment~~
19 ~~requirement of the purchaser or assignee that are exempt from odometer~~
20 ~~certification requirements pursuant to federal law shall be exempt from~~
21 ~~such requirement.~~ Such title shall indicate whether the vehicle for which it
22 is issued has been titled previously as a nonhighway vehicle or salvage
23 vehicle. In addition, the reverse side shall contain two forms for
24 reassignment by a dealer, stating the liens or encumbrances thereon. The
25 first form of reassignment shall be used only when a dealer sells the
26 vehicle to another dealer. The second form of reassignment shall be used
27 by a dealer when selling the vehicle to another dealer or the ultimate
28 owner of the vehicle. The reassignment by a dealer shall be used only
29 where the dealer resells the vehicle, and during the time that the vehicle
30 remains in the dealer's possession for resale, the certificate of title shall be
31 dormant. When the ownership of any vehicle passes by operation of law,
32 or repossession upon default of a lease, security agreement, or executory
33 sales contract, the person owning such vehicle, upon furnishing
34 satisfactory proof to the county treasurer of such ownership, may procure a
35 certificate of title to the vehicle. When a vehicle is registered in another
36 state and is repossessed in another state, the owner of such vehicle shall
37 not be entitled to obtain a valid Kansas title or registration, except that
38 when a vehicle is registered in another state, but is financed originally by a
39 financial institution chartered in the state of Kansas or when a financial
40 institution chartered in Kansas purchases a pool of motor vehicle loans
41 from the resolution trust corporation or a federal regulatory agency, and
42 the vehicle is repossessed in another state, such Kansas financial
43 institution shall be entitled to obtain a valid Kansas title or registration. In

1 addition to any other fee required for the issuance of a certificate of title,
2 any applicant obtaining a certificate of title for a repossessed vehicle shall
3 pay a fee of \$3.

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

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

25 (5) Except for a vehicle registered by a federally recognized Indian
26 tribe, as provided in paragraph (16), upon sale and delivery to the
27 purchaser of every vehicle subject to a purchase money security interest as
28 provided in article 9 of chapter 84 of the Kansas Statutes Annotated, and
29 amendments thereto, the dealer or secured party may complete a notice of
30 security interest and when so completed, the purchaser shall execute the
31 notice, in a form prescribed by the division, describing the vehicle and
32 showing the name and address of the secured party and of the debtor and
33 other information the division requires. On and after July 1, 2007, only one
34 lien shall be taken or accepted for vehicles with a gross vehicle weight
35 rating of 26,000 pounds or less. As used in this section "gross vehicle
36 weight rating" shall have the meaning ascribed thereto in 49 C.F.R. §
37 390.5, as in effect on July 1, 2017, or any later version as established in
38 rules and regulations adopted by the state corporation commission. The
39 dealer or secured party, within 30 days of the sale and delivery, may mail
40 or deliver the notice of security interest, together with a fee of \$2.50, to the
41 division. The notice of security interest shall be retained by the division
42 until it receives an application for a certificate of title to the vehicle and a
43 certificate of title is issued. The certificate of title shall indicate any

1 security interest in the vehicle. Upon issuance of the certificate of title, the
2 division shall mail or deliver confirmation of the receipt of the notice of
3 security interest, the date the certificate of title is issued and the security
4 interest indicated, to the secured party at the address shown on the notice
5 of security interest. The proper completion and timely mailing or delivery
6 of a notice of security interest by a dealer or secured party shall perfect a
7 security interest in the vehicle, as referenced in K.S.A. 2020 Supp. 84-9-
8 311, and amendments thereto, on the date of such mailing or delivery. The
9 county treasurers shall mail a copy of the title application to the lienholder.
10 For any vehicle subject to a lien, the county treasurer, division or
11 contractor shall collect from the applicant a \$1.50 service fee for
12 processing and mailing a copy of the title application to the lienholder.

13 (6) It shall be unlawful for any person to operate in this state a vehicle
14 required to be registered under this act, or to transfer the title to any such
15 vehicle to any person or dealer, unless a certificate of title has been issued
16 as herein provided. In the event of a sale or transfer of ownership of a
17 vehicle for which a certificate of title has been issued, which certificate of
18 title is in the possession of the transferor at the time of delivery of the
19 vehicle, the holder of such certificate of title shall endorse on the same an
20 assignment thereof, with warranty of title in a form prescribed by the
21 division and printed thereon and the transferor shall deliver the same to the
22 buyer at the time of delivery to the buyer of the vehicle or at a time agreed
23 upon by the parties, not to exceed 60 days, inclusive of weekends and
24 holidays, after the time of delivery. The agreement of the parties shall be
25 executed on a form provided by the division. The requirements of this
26 paragraph concerning delivery of an assigned title are satisfied if the
27 transferor mails to the transferee by restricted mail the assigned certificate
28 of title within the 60 days, and if the transferor is a dealer, as defined by
29 K.S.A. 8-2401, and amendments thereto, such transferor shall be deemed
30 to have possession of the certificate of title if the transferor has made
31 application therefor to the division. The buyer shall then present such
32 assigned certificate of title to the division at the time of making application
33 for registration of such vehicle. A new certificate of title shall be issued to
34 the buyer, upon payment of the fee of \$10. If such vehicle is sold to a
35 resident of another state or country, the dealer or person making the sale
36 shall notify the division of the sale and the division shall make notation
37 thereof in the records of the division. When a person acquires a security
38 interest that such person seeks to perfect on a vehicle subsequent to the
39 issuance of the original title on such vehicle, such person shall require the
40 holder of the certificate of title to surrender the same and sign an
41 application for a mortgage title in form prescribed by the division. Upon
42 such surrender such person shall immediately deliver the certificate of
43 title, application, and a fee of \$10 to the division. Delivery of the

1 surrendered title, application and tender of the required fee shall perfect a
2 security interest in the vehicle as referenced in K.S.A. 2020 Supp. 84-9-
3 311, and amendments thereto. On and after July 1, 2007, only one lien
4 may be taken or accepted for security for an obligation to be secured by a
5 lien to be shown on a certificate of title for vehicles with a gross vehicle
6 weight rating, as defined in 49 C.F.R. § 390.5, as in effect on July 1, 2017,
7 or any later version as established in rules and regulations adopted by the
8 state corporation commission, of 26,000 pounds or less. A refinancing
9 shall not be subject to the limitations of this act. A refinancing is deemed
10 to occur when the original obligation is satisfied and replaced by a new
11 obligation. Lien obligations created before July 1, 2007, which are of a
12 continuing nature shall not be subject to the limitations of this act until the
13 obligation is satisfied. A lien in violation of this provision is void. Upon
14 receipt of the surrendered title, application and fee, the division shall issue
15 a new certificate of title showing the liens or encumbrances so created, but
16 only one lien or encumbrance may be shown upon a title for vehicles with
17 a gross vehicle rating of 26,000 pounds or less, and not more than two
18 liens or encumbrances may be shown upon a title for vehicles in excess of
19 26,000 pounds gross vehicle weight rating. When a prior lienholder's name
20 is removed from the title, there must be satisfactory evidence presented to
21 the division that the lien or encumbrance has been paid. When the
22 indebtedness to a lienholder, whose name is shown upon a title, is paid in
23 full, such lienholder shall comply with the provisions of K.S.A. 2020
24 Supp. 8-1,157, and amendments thereto.

25 (7) It shall be unlawful for any person to buy or sell in this state any
26 vehicle required to be registered, unless, at the time of delivery thereof or
27 at a time agreed upon by the parties, not to exceed 60 days, inclusive of
28 weekends and holidays, after the time of delivery, there shall pass between
29 the parties a certificate of title with an assignment thereof. The sale of a
30 vehicle required to be registered under the laws of this state, without
31 assignment of the certificate of title, is fraudulent and void, unless the
32 parties shall agree that the certificate of title with assignment thereof shall
33 pass between them at a time other than the time of delivery, but within 60
34 days thereof. The requirements of this paragraph concerning delivery of an
35 assigned title shall be satisfied if: (A) The seller mails to the purchaser by
36 restricted mail the assigned certificate of title within 60 days; or (B) if the
37 transferor is a dealer, as defined by K.S.A. 8-2401, and amendments
38 thereto, such seller shall be deemed to have possession of the certificate of
39 title if such seller has made application therefor to the division; or (C) if
40 the transferor is a dealer and has assigned a title pursuant to subsection (c)
41 (9).

42 (8) In cases of sales under the order of a court of a vehicle required to
43 be registered under this act, the officer conducting such sale shall issue to

1 the purchaser a certificate naming the purchaser and reciting the facts of
2 the sale, which certificate shall be prima facie evidence of the ownership
3 of such purchaser for the purpose of obtaining a certificate of title to such
4 motor vehicle and for registering the same. Any such purchaser shall be
5 allowed 60 days, inclusive of weekends and holidays, from the date of sale
6 to make application to the division for a certificate of title and for the
7 registering of such motor vehicle.

8 (9) Any dealer who has acquired a vehicle, the title for which was
9 issued under the laws of and in a state other than the state of Kansas, shall
10 not be required to obtain a Kansas certificate of title therefor during the
11 time such vehicle remains in such dealer's possession and at such dealer's
12 place of business for the purpose of sale. The purchaser or transferee shall
13 present the assigned title to the division of vehicles when making
14 application for a certificate of title as provided in subsection (c)(1).

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

16 (11) Notwithstanding the provisions of this act with respect to time
17 requirements for delivery of a certificate of title, or manufacturer's
18 statement of origin, as applicable, any person who chooses to reaffirm the
19 sale in writing on a form approved by the division which advises them of
20 their rights pursuant to subsection (c)(7) and who has received and
21 accepted assignment of the certificate of title or manufacturer's statement
22 of origin for the vehicle in issue may not thereafter void or set aside the
23 transaction with respect to the vehicle for the reason that a certificate of
24 title or manufacturer's statement of origin was not timely delivered, and in
25 such instances the sale of a vehicle shall not be deemed to be fraudulent
26 and void for that reason alone.

27 (12) The owner of any vehicle assigning a certificate of title in
28 accordance with the provisions of this section may file with the division a
29 form indicating that such owner has assigned such certificate of title. Such
30 forms shall be furnished by the division and shall contain such information
31 as the division may require. Any owner filing a form as provided in this
32 paragraph shall pay a fee of \$10. The filing of such form shall be prima
33 facie evidence that such certificate of title was assigned and shall create a
34 rebuttable presumption. If the assignee of a certificate of title fails to make
35 application for registration, an owner assigning such title and filing the
36 form in accordance with the provisions of this paragraph shall not be held
37 liable for damages resulting from the operation of such vehicle.

38 (13) Application for a certificate of title on a boat trailer with a gross
39 weight over 2,000 pounds shall be made by the owner or the owner's agent
40 upon a form to be furnished by the division and shall contain such
41 information as the division shall determine necessary. The division may
42 waive any information requested on the form if it is not available. The
43 application together with a bill of sale for the boat trailer shall be accepted

1 as prima facie evidence that the applicant is the owner of the boat trailer,
2 provided that a Kansas title for such trailer has not previously been issued.
3 If the application and bill of sale are used to obtain a certificate of title for
4 a boat trailer under this paragraph, the certificate of title shall not be issued
5 until an inspection in accordance with K.S.A. 8-116a(a), and amendments
6 thereto, has been completed.

7 (14) In addition to the two forms for reassignment under subsection
8 (c)(2), a dealer may attach one additional reassignment form to a
9 certificate of title. The director of vehicles shall prescribe and furnish such
10 reassignment forms. The reassignment form shall be used by a dealer when
11 selling the vehicle to another dealer or the ultimate owner of the vehicle
12 only when the two reassignment forms under subsection (c)(2) have
13 already been used. The fee for a reassignment form shall be \$6.50. A
14 dealer may purchase reassignment forms in multiples of five upon making
15 proper application and the payment of required fees.

16 (15) A first stage manufacturer, as defined in K.S.A. 8-2401, and
17 amendments thereto, who manufactures a motor vehicle in this state, and
18 who sells such motor vehicles to dealers located in a foreign country, may
19 execute a manufacturer's statement of origin to the division of vehicles for
20 the purpose of obtaining an export certificate of title. The motor vehicle
21 issued an export certificate of title shall not be required to be registered in
22 this state. An export certificate of title shall not be used to register such
23 vehicle in the United States.

24 (16) A security interest in a vehicle registered by a federally
25 recognized Indian tribe shall be deemed valid under Kansas law if validly
26 perfected under the applicable tribal law and the lien is noted on the face
27 of the tribal certificate of title.

28 (17) On and after January 1, 2010, a certificate of title issued for a
29 rebuilt salvage vehicle for the initial time, shall indicate on such title, the
30 reduced classification of such vehicle as provided under K.S.A. 79-5104,
31 and amendments thereto.

32 Sec. 2. K.S.A. 2020 Supp. 8-135 is hereby repealed.

33 Sec. 3. This act shall take effect and be in force from and after
34 January 1, 2022, and its publication in the statute book.