

098294472

HOUSE BILL NO. 1722

Offered January 14, 2009

Prefiled January 5, 2009

A BILL to amend and reenact §§ 46.2-603, 46.2-630, 46.2-631, and 46.2-633 of the Code of Virginia, relating to transfer of vehicle titles by operation of law.

Patrons—Cosgrove, Carrico and Marsden

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 46.2-603, 46.2-630, 46.2-631, and 46.2-633 of the Code of Virginia are amended and reenacted as follows:

§ 46.2-603. Issuance of certificate of title and registration card.

A. The Department, on receiving an application for a certificate of title for a motor vehicle, trailer, or semitrailer, shall issue to the owner a certificate of title and a registration card as separate documents.

B. Subject to all applicable federal laws, the Department may, at the written request of the owner or lienholder listed on the application for certificate of title, supplemental lien, or transfer of lien, refrain from issuing a certificate of title in paper form and, instead, shall create only the electronic record of such title to be retained by the Department in its existing electronic title record system with a notation that no certificate of title has been printed on paper. The owner of a vehicle will be deemed to have obtained and the Department will be deemed to have issued, a certificate of title when such title record has been created electronically as provided in this subsection. An owner or lienholder listed on a title record so created may at any time request and the Department shall provide a paper certificate of title for the vehicle. All transfers of vehicle ownership shall require a paper certificate of title *or other title document required by the laws of a state other than Virginia* in accordance with, and subject to, all applicable federal laws.

§ 46.2-630. Transfer and application for certificate of title forwarded to Department.

The transferee shall write his name and address in ink on the certificate of title and, except as provided in §§ 46.2-619 and 46.2-631, shall within thirty days forward the certificate to the Department with an application for the registration of the motor vehicle, trailer, or semitrailer and for a certificate of title.

Nothing in this section, however, shall be construed to require the presentation of a title from a state other than the Commonwealth if the vehicle is not required to be titled by the laws of that other state.

§ 46.2-631. When transferred certificate of title need not be forwarded.

When the transferee of a motor vehicle, trailer, or semitrailer is a dealer who holds it for resale and operates it only for sales purposes under a dealer's license plate, the transferee shall not be required to register it nor forward the certificate of title to the Department, as provided in § 46.2-630, but the transferee, on transferring his title or interest to another person, shall notify the Department of the transfer and shall endorse and acknowledge an assignment and warranty of title on the certificate and deliver it to the person to whom the transfer is made.

Nothing in this section, however, shall be construed to require the presentation of a title from a state other than the Commonwealth if the vehicle is not required to be titled by the laws of that other state.

§ 46.2-633. Transfer of title by operation of law.

A. Except as otherwise provided in § 46.2-615 in the event of the transfer by operation of law of the title or interest of an owner in and to a motor vehicle, trailer, or semitrailer registered under the provisions of this chapter to anyone as legatee or distributee or as surviving joint owner or by an order in bankruptcy or insolvency, execution sale, sales as provided for in § 43-34, repossession on default in the performing of the terms of a lease or executory sales contract or of any written agreement ratified or incorporated in a decree or order of a court of record, or otherwise than by the voluntary act of the person whose title or interest is so transferred, the transferee or his legal representative shall apply to the Department for a certificate of title, giving the name and address of the person entitled to it, and accompany his application with the registration card and certificate of title previously issued for the motor vehicle, trailer, or semitrailer, if available, together with whatever instruments or documents of authority, or certified copies of them, are required by law to evidence or effect a transfer of title or interest in or to chattels in the case. The Department shall cancel the registration of the motor vehicle, trailer, or semitrailer and issue a new certificate of title to the person entitled to it.

B. ~~Notwithstanding the provisions of subsection A, if~~ a title is presented from a state other than the Commonwealth, the Department shall, upon presentation of the title and a form prescribed by the

INTRODUCED

HB1722

59 Commissioner attesting to the lawful repossession of the vehicle *registered under the provisions of this*
60 *chapter* and the intent to offer the vehicle for sale in the Commonwealth, issue a new certificate of title
61 to the person entitled to it and request the state in which the vehicle is titled to cancel the title. Nothing
62 in this subsection, however, shall be construed to require the presentation of a title from a state other
63 than the Commonwealth if the vehicle is not required to be titled by the laws of that other state.