

SENATE CORPORATIONS AND TRANSPORTATION COMMITTEE SUBSTITUTE FOR
SENATE BILL 139

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

AN ACT

RELATING TO VEHICLES; REQUIRING AUTO RECYCLERS TO
ELECTRONICALLY REPORT ALL VEHICLE PURCHASES TO THE TAXATION AND
REVENUE DEPARTMENT; REQUIRING THE TAXATION AND REVENUE
DEPARTMENT TO MAINTAIN AND MAKE AVAILABLE CERTAIN INFORMATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Motor Vehicle Code is
enacted to read:

"[NEW MATERIAL] AUTO RECYCLERS--NOTIFICATION OF
PURCHASE.--

A. Prior to taking actual possession of a vehicle
that an auto recycler has purchased, the auto recycler shall
verify with the department if the vehicle has been reported
stolen by checking an electronic system maintained by the
department. The auto recycler shall include the seller's name,

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underscored material = new
[bracketed material] = delete

1 address, contact information and unique number of the seller's
2 government-issued identification document.

3 B. Within forty-eight hours of the close of
4 business on the day a vehicle is purchased by an auto recycler,
5 the auto recycler shall report the purchase to the department
6 in an electronic format.

7 C. The reporting requirements pursuant to
8 Subsection B of this section shall include:

9 (1) the name, address and contact information
10 of the seller and the purchaser;

11 (2) the unique auto recycling license number
12 of the seller, unless the seller is not a licensed auto
13 recycler, in which case the unique number of the seller's
14 government-issued identification document;

15 (3) the unique auto recycling license number
16 of the purchaser, unless the purchaser is not a licensed auto
17 recycler, in which case the unique number of the purchaser's
18 government-issued identification document;

19 (4) the make, model, year, vehicle
20 identification number and, if available, current odometer
21 reading of the vehicle;

22 (5) the dates of the transfer of ownership of
23 the vehicle;

24 (6) a statement specifying if the vehicle was,
25 or will be, crushed, disposed of or used for other purposes;

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1 and

2 (7) a statement specifying if the vehicle is
3 intended for export outside of the United States.

4 D. The department shall maintain and make available
5 to auto recyclers an electronic system that allows auto
6 recyclers to verify, prior to the purchase of a vehicle by the
7 auto recycler, that the vehicle has not been reported stolen.
8 If the electronic system shows that the vehicle was reported
9 stolen, the auto recycler shall not complete the transaction
10 and shall notify a law enforcement agency of the current
11 location of the vehicle and identification information provided
12 by the person attempting to transfer ownership of the vehicle.
13 If the electronic system shows that the vehicle was not
14 reported stolen, the auto recycler may proceed with the
15 transaction and shall not be held criminally or civilly liable
16 if the vehicle was stolen, unless the auto recycler had
17 knowledge that the vehicle was stolen.

18 E. The department shall make information contained
19 in the electronic system available, without charge and upon
20 request, to any law enforcement agency or the department, when
21 the person acting on behalf of the agency or department is
22 acting within the course and scope of the agency or
23 department's duties. Except as authorized by this section, the
24 department shall not release personally identifiable
25 information received under this section.

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1 F. This section shall not apply to salvage vehicles
2 processed through insurance total loss claims or to auto
3 recyclers who purchase vehicles in New Mexico but do not sell
4 or dismantle, wreck, shred, compact, crush or otherwise destroy
5 vehicles for reclaimable parts or scrap material in New
6 Mexico."

7 SECTION 2. Section 66-2-5 NMSA 1978 (being Laws 1978,
8 Chapter 35, Section 9) is amended to read:

9 "66-2-5. DIRECTOR TO PRESCRIBE FORMS.--

10 A. The director shall prescribe and provide
11 suitable forms of applications, certificates of title,
12 evidences of registration, [~~drivers'~~ driver's licenses and all
13 other forms requisite or deemed necessary to carry out the
14 provisions of the Motor Vehicle Code and any other laws, the
15 enforcement and administration of which are vested in the
16 division.

17 B. The director shall make available to the public
18 electronic versions of all forms requisite or deemed necessary
19 to carry out the provisions of the Motor Vehicle Code and any
20 other laws the enforcement and administration of which are
21 vested in the division."

22 SECTION 3. Section 66-3-119 NMSA 1978 (being Laws 1978,
23 Chapter 35, Section 66) is amended to read:

24 "66-3-119. VEHICLE [~~OR MOTOR VEHICLE~~] TO BE DISMANTLED.--
25 In addition to any requirements pursuant to Section 1 of this

1 2017 act:

2 A. except as provided in Sections [~~64-3-114 through~~
3 ~~64-3-121 NMSA 1953~~] 66-3-114 through 66-3-121 NMSA 1978, any
4 person who sells, gives away, trades or disposes of any vehicle
5 [~~or motor vehicle~~] as scrap or to be dismantled or destroyed by
6 any person required to be licensed under Section [~~64-4-1 NMSA~~
7 ~~1953~~] 66-4-1 NMSA 1978 shall assign the certificate of title of
8 [~~such~~] the vehicle [~~or motor vehicle~~] to the recipient and
9 shall deliver the [~~same~~] certificate of title to the recipient.
10 A licensed dismantler receiving any registration plates shall
11 either return them to the owner upon demand or [~~surrender them~~
12 ~~within five days of receiving the plates to the division~~]
13 destroy them within five days;

14 B. except as provided in Sections [~~64-3-114 through~~
15 ~~64-3-121 NMSA 1953~~] 66-3-114 through 66-3-121 NMSA 1978, no
16 person shall dismantle or destroy a vehicle [~~or motor vehicle~~]
17 unless [~~he~~] the person possesses a certificate of title or
18 other proof of ownership of the vehicle [~~or motor vehicle~~] and
19 completes and sends in the dismantler's notification form to
20 the [~~motor vehicle~~] division and any law enforcement agency
21 designated by the [~~motor vehicle~~] division for that purpose;
22 and

23 C. any person licensed under Section [~~64-4-1 NMSA~~
24 ~~1953~~] 66-4-1 NMSA 1978 may take possession of an abandoned
25 [~~motor~~] vehicle; provided that:

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1 (1) ~~[he]~~ the person obtains at the time of
2 acquisition a written clearance form from a law enforcement
3 agency mentioned in Section ~~[64-3-121 NMSA 1953]~~ 66-3-121 NMSA
4 1978;

5 (2) ~~[he]~~ within five days after acquisition of
6 ~~[said]~~ the abandoned vehicle ~~[or motor vehicle]~~, the person
7 requests from the ~~[motor vehicle]~~ division an official
8 ~~[printout]~~ form indicating the names and addresses of all
9 lienholders and owners of record. If the abandoned vehicle ~~[or~~
10 ~~motor vehicle]~~ has out-of-state license plates or the licensee
11 has some other reason to believe that the abandoned vehicle ~~[or~~
12 ~~motor vehicle]~~ is registered in a state other than New Mexico,
13 ~~[he]~~ the person must request the same information from the
14 appropriate agency of that state;

15 (3) ~~[he]~~ within five days after receiving the
16 names and addresses of all lienholders and owners of record,
17 the person informs them by certified mail, return receipt
18 requested, of ~~[his]~~ the person's possession of the abandoned
19 vehicle ~~[or motor vehicle]~~ and of all charges, if any, against
20 the abandoned vehicle ~~[or motor vehicle, if any]~~ and of ~~[his]~~
21 the person's intent to dispose of ~~[said]~~ the vehicle if no
22 claim ~~[be]~~ is made within thirty days after the delivery of the
23 letter;

24 (4) in those cases where neither the ~~[motor~~
25 ~~vehicle]~~ division nor the appropriate state agency specified in

1 this section is able to furnish the names of any lienholders or
2 owners of record, the vehicle shall then be deemed as
3 abandoned, and a licensed dismantler may dispose of the
4 abandoned vehicle [~~or motor vehicle~~] once [~~he~~] the dismantler
5 has properly completed a dismantler's notification form for the
6 abandoned vehicle [~~or motor vehicle~~] and has [~~mailed one copy~~
7 ~~of~~] submitted the form to the [~~motor vehicle~~] division [~~and one~~
8 ~~copy of the form to the law enforcement agency designated by~~
9 ~~the motor vehicle division for that purpose~~] together with a
10 copy of the correspondence with either the [~~motor vehicle~~]
11 division or the state agency specified in this section
12 indicating that there are no lienholders or owners of record;

13 (5) when a lienholder or owner of record is
14 known and the required notice has been sent and the dismantler
15 has waited the required thirty days and has not received a
16 valid claim, [~~he~~] the dismantler shall properly complete a
17 dismantler's notification form for the abandoned vehicle [~~or~~
18 ~~motor vehicle~~] and [~~send one copy of~~] submit the form together
19 with any correspondence with the [~~motor vehicle~~] division or
20 appropriate state agency specified in this subsection
21 indicating the names and addresses of lienholders and owners of
22 record plus proof of notification together with an affidavit
23 signed by the dismantler stating under oath or affirmation that
24 [~~he~~] the dismantler has complied with provisions of this
25 section and [~~he~~] the dismantler has not received during the

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1 thirty-day period following notification any valid claim
2 against the abandoned vehicle [~~or motor vehicle~~] in question
3 or, while a valid claim has been made, [~~he~~] the dismantler has
4 not received within sixty days following [~~such~~] the
5 notification payment for fees connected with towing and storage
6 of the abandoned vehicle [~~or motor vehicle~~] in question. [~~One~~
7 ~~copy of the dismantler's notification form shall be sent to the~~
8 ~~law enforcement agency designated by the motor vehicle division~~
9 ~~for that purpose~~];

10 (6) any person who fails to give notice
11 required in this subsection within the time limit specified
12 shall forfeit all liens, interest and claims to the abandoned
13 vehicle [~~or motor vehicle~~] in question if claimed by an owner
14 or lienholder;

15 (7) failure of an owner or lienholder to
16 assert a claim or to pay all legal storage or towing fees if
17 any within the specified period of time shall result in that
18 person's forfeiture of liens, interest or claims to the
19 abandoned vehicle [~~or motor vehicle~~]; and

20 (8) upon complying with the [~~above~~] conditions
21 of this section and waiting the required period of time, such
22 [~~a~~] an abandoned vehicle [~~or motor vehicle shall be deemed~~] is
23 the property of the dismantler for dismantling or salvage
24 purposes, and [~~he~~] the dismantler shall not be required to take
25 further action under the lien laws of this state unless the

1 abandoned vehicle [~~or motor vehicle~~] is used for other than
 2 dismantling or salvage purposes, and any person licensed under
 3 Section [~~64-4-1 NMSA 1953~~] 66-4-1 NMSA 1978 may dismantle or
 4 destroy such [~~a~~] an abandoned vehicle [~~or motor vehicle~~]."

5 SECTION 4. Section 66-3-123 NMSA 1978 (being Laws 1978,
 6 Chapter 35, Section 70, as amended) is amended to read:

7 "66-3-123. REQUIREMENTS OF PURCHASER--FORMS--
 8 DISTRIBUTION.--In addition to any requirements pursuant to
 9 Section 1 of this 2017 act, purchasers licensed under the
 10 provisions of Section 66-4-1 NMSA 1978 shall, upon purchase of
 11 a vehicle to be dismantled, crushed or otherwise destroyed,
 12 [~~send~~] submit copies of the dismantler's notification form as
 13 provided for in Section 66-3-124 NMSA 1978 [~~to the following~~
 14 ~~persons~~] as follows:

15 A. [~~one copy~~] electronically to the department as
 16 required by Section 66-3-121 NMSA 1978, along with the actual
 17 title or proof of ownership required in the state in which the
 18 vehicle is registered or licensed [~~provided that with the prior~~
 19 ~~approval of the department, the required information may be~~
 20 ~~transmitted electronically to the department in lieu of~~
 21 ~~submitting a copy of the form~~];

22 B. one copy by certified mail within thirty days of
 23 acquisition to the local law enforcement agency designated by
 24 the department. The agency [~~must~~] shall process the form
 25 through the files of stolen or embezzled vehicles within five

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1 days of receipt of the form;

2 C. one copy to be retained by the purchaser for as
3 long as the vehicle remains in the purchaser's possession or
4 until the vehicle is destroyed but in no instance fewer than
5 three years; and

6 D. one copy to be retained and provided to any
7 subsequent purchaser of the vehicle. The purchaser shall
8 retain the copy for as long as the vehicle remains in [~~his~~] the
9 purchaser's possession or until the vehicle is destroyed."

10 SECTION 5. Section 66-3-124 NMSA 1978 (being Laws 1978,
11 Chapter 35, Section 71, as amended) is amended to read:

12 "66-3-124. DEPARTMENT TO PROVIDE FORMS.--In addition to
13 any requirements pursuant to Section 1 of this 2017 act, the
14 department shall issue a dismantler's notification form to be
15 used by any persons licensed under the provisions of Section
16 66-4-1 NMSA 1978 for all vehicles purchased to be dismantled,
17 crushed or otherwise destroyed. The form shall require such
18 information as is determined by the department to be
19 necessary."

20 SECTION 6. Section 66-3-125 NMSA 1978 (being Laws 1978,
21 Chapter 35, Section 72, as amended) is amended to read:

22 "66-3-125. RESTRICTIONS UPON LICENSEES.--In addition to
23 any requirements pursuant to Section 1 of this 2017 act, a
24 person licensed under the provisions of Sections 66-4-1 through
25 66-4-9 NMSA 1978 may, no earlier than thirty days after

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1 ~~[mailing]~~ sending the dismantler's notification form as
 2 required by Section 66-3-123 NMSA 1978, proceed with the
 3 business of shredding, compacting, crushing or otherwise
 4 disposing of a vehicle ~~[or motor vehicle]~~ purchased in
 5 accordance with the provisions of Sections 66-4-1 through
 6 66-4-9 NMSA 1978; provided, however, dismantling of the vehicle
 7 ~~[or motor vehicle]~~ may proceed immediately upon the ~~[mailing]~~
 8 sending of the dismantler's notification form."

9 SECTION 7. Section 66-4-9 NMSA 1978 (being Laws 1978,
 10 Chapter 35, Section 222) is amended to read:

11 "66-4-9. PENALTY FOR DESTROYING OR DISMANTLING IN
 12 VIOLATION OF ~~[THE ACT]~~ CERTAIN SECTIONS.--

13 A. Any person violating any provision of Sections
 14 ~~[64-3-119 and 64-3-121, 64-3-123 through 64-3-125 and 64-4-1~~
 15 ~~through 64-4-9 NMSA 1953]~~ 66-3-119, 66-3-121, 66-3-123 through
 16 66-3-125 and 66-4-1 through 66-4-9 NMSA 1978 or Section 1 of
 17 this 2017 act is guilty of a misdemeanor and shall be punished
 18 by a fine of three hundred dollars (\$300) or by imprisonment
 19 for not less than thirty days or both.

20 B. The penalty upon second conviction of such
 21 offense ~~[shall be]~~ is that provided for a fourth degree
 22 felony."

23 SECTION 8. EFFECTIVE DATE.--The effective date of the
 24 provisions of this act is January 1, 2018.