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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. 2209

March 19, 2007

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The bill was read for the first time and referred to the Committee on Commerce and Labor

1.1 A bill for an act  
1.2 relating to consumer protection; changing motor vehicle damage disclosure  
1.3 requirement; amending Minnesota Statutes 2006, section 325F.6641,  
1.4 subdivisions 1, 2.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2006, section 325F.6641, subdivision 1, is amended to  
1.7 read:

1.8 Subdivision 1. **Damage.** (a) If a motor vehicle has sustained damage by collision  
1.9 or other occurrence which exceeds ~~70~~ 60 percent of its actual cash value immediately  
1.10 prior to sustaining damage, the seller must disclose that fact to the buyer, if the seller has  
1.11 actual knowledge of the damage. The amount of damage is determined by the retail cost  
1.12 of repairing the vehicle based on a complete written retail repair estimate or invoice,  
1.13 exclusive of the actual cost incurred to repair, replace, or reinstall inflatable safety  
1.14 restraints and other vehicle components that must be replaced due to the deployment  
1.15 of the inflatable safety restraints.

1.16 (b) The disclosure required under this subdivision must be made in writing on the  
1.17 application for title and registration or other transfer document, in a manner prescribed  
1.18 by the registrar of motor vehicles. The registrar shall revise the certificate of title form,  
1.19 including the assignment by seller (transferor) and reassignment by licensed dealer  
1.20 sections of the form, the separate application for title forms, and other transfer documents  
1.21 to accommodate this disclosure. If the seller is a motor vehicle dealer licensed pursuant to  
1.22 section 168.27, the disclosure required by this section must be made orally by the dealer to  
1.23 the prospective buyer in the course of the sales presentation.

2.1 (c) Upon transfer and application for title to a vehicle covered by this subdivision,  
2.2 the registrar shall record the term "rebuilt" on the first Minnesota certificate of title and all  
2.3 subsequent Minnesota certificates of title used for that vehicle.

2.4 Sec. 2. Minnesota Statutes 2006, section 325F.6641, subdivision 2, is amended to read:

2.5 Subd. 2. **Form of disclosure.** The disclosure required in this section must be made  
2.6 in substantially the following form: "To the best of my knowledge, this vehicle has .....  
2.7 has not ..... sustained damage, exclusive of any costs to repair, replace, or reinstall air bags  
2.8 and other components that were replaced due to deployment of air bags, in excess of  
2.9 ~~70~~ 60 percent actual cash value."