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WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1984



ENROLLED
Committee Substitute for
SENATE BILL NO. 602

(By Mr. Lucas)



PASSED March 10, 1984

In Effect ninety days from Passage



ENROLLED
COMMITTEE SUBSTITUTE
FOR
Senate Bill No. 602
(MR. TUCKER, *original sponsor*)

[Passed March 10, 1984; in effect ninety days from passage.]

AN ACT to amend and reenact section five, article four, chapter seventeen-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend article six of said chapter by adding thereto a new section, designated section ten-b, relating to the transfer of title to a vehicle by operation of law and stating that in the event title is vested in a person or financial institution as the result of a lien or encumbrance upon the vehicle, such person or institution need not obtain a new registration, but may endorse the title to a subsequent purchaser and that such a transfer is not subject to the privilege tax; and relating to special license plates for financial institutions which repossess vehicles in the ordinary course of their business and which may, therefore, take temporary possession and have need to drive such repossessed vehicles.

Be it enacted by the Legislature of West Virginia:

That section five, article four, chapter seventeen-a of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that article six of said chapter be amended by adding thereto a new section, designated section ten-b, all to read as follows:

ARTICLE 4. TRANSFERS OF TITLE OR INTERESTS.

§17A-4-5. Transfer by operation of law.

1 Whenever the title or interest of an owner in or to a
2 registered vehicle shall pass to another otherwise than by
3 voluntary transfer, the registration thereof shall expire and
4 the vehicle shall not be operated upon the highways unless
5 and until the person entitled to possession of such vehicle
6 shall apply for and obtain the registration thereof, except
7 that such vehicle may be operated by the person entitled to
8 its possession or his legal representative upon the highways
9 for a distance not exceeding seventy-five miles upon
10 displaying upon such vehicle the registration plates issued
11 to the former owner, or in the event title has become vested
12 in the person holding a lien or encumbrance upon said
13 vehicle, such person may apply to the department for and
14 obtain special plates as may be issued under this chapter to
15 dealers or others and may operate any said repossessed
16 vehicle under such special plates only for purposes of
17 transporting the same to a garage or warehouse or for
18 purposes of demonstrating or selling the same: *Provided,*
19 That the commissioner is authorized to transfer the plates
20 of a deceased person to his legal heir or legatee upon
21 payment of a transfer fee of one dollar.

22 Upon any transfer the new owner may secure a new
23 registration and certificate of title upon proper application
24 and upon presentation of the last certificate of title if
25 available, and such instruments or documents of authority
26 or certified copies thereof as may be sufficient or required
27 by law to evidence or effect a transfer of title or interest in or
28 to chattels in such case. In the event title has become vested
29 in the person or financial institution holding a lien or
30 encumbrance upon said vehicle, such person or institution
31 need not obtain a new registration of said vehicle or
32 forward the certificate of title to the department in order to
33 sell the vehicle, but the person or institution upon transfer
34 of title or interest to another shall execute and acknowledge
35 an assignment and warranty of title upon the certificate of
36 title and deliver the same not later than thirty days from the
37 date of the sale to the purchaser. The person or institution
38 holding a lien or encumbrance upon the vehicle who
39 acquires the vehicle as a result of the lien or encumbrance

40 and subsequently, within sixty days, sells the vehicle in
41 satisfaction of the debt creating the lien or encumbrance,
42 shall not be subject to any privilege tax or personal property
43 tax on the vehicle imposed by any other section.

**ARTICLE 6. LICENSING OF DEALERS AND WRECKERS OR
DISMANTLERS; SPECIAL PLATES; TEMPORARY
PLATES OR MARKERS; ETC.**

§17A-6-10b. Special plates for financial institutions; fee.

1 (1) Notwithstanding any of the other provisions of this
2 article, a financial institution may operate or move a vehicle
3 upon the highways and streets of this state solely for the
4 purposes of transporting such vehicle, in conjunction with a
5 repossession or sale of said vehicle conducted in the
6 ordinary course of such institution's business in financing
7 the purchase of the vehicle or where the vehicle otherwise
8 serves as collateral or security in a loan transaction,
9 without first registering each such vehicle upon the
10 condition that any such vehicle display thereon, in a
11 manner prescribed by the commissioner, a special plate or
12 plates issued to such financial institution as provided in this
13 section.

14 (2) Any financial institution may make application to
15 the commissioner upon a form prescribed by him for a
16 certificate containing a general distinguishing number and
17 for a special plate or plates. The applicant shall submit
18 proof of its status as a bona fide financial institution
19 requiring such special plates as required by the
20 commissioner. The commissioner shall determine that the
21 applicant is a bona fide financial institution eligible to
22 receive a special plate or plates under the provisions of this
23 section and that said institution does, as a regular incident
24 to its business, repossess and sell vehicles and have need to
25 transport said vehicles in conjunction with the repossession
26 or sale.

27 (3) The commissioner, upon approving any such
28 application, shall issue to the applicant a certificate
29 containing the applicant's name and address and the
30 general distinguishing number assigned to the applicant.
31 The commissioner shall also issue a special plate, or special
32 plates, as applied for, which shall have displayed thereon
33 the general distinguishing number assigned to the

34 applicant. Each plate shall also contain a number or symbol
35 identifying the same from every other plate or plates
36 bearing the same general distinguishing number.

37 (4) The annual fee for a license certificate for a financial
38 institution and one special plate shall be one hundred
39 dollars. Additional special plates, not to exceed four, shall
40 be available upon appropriate application to the
41 commissioner at a fee of twenty-five dollars each.

42 (5) Every financial institution shall keep a written
43 record of the vehicle upon which such special plates are
44 used, the time during which each is used upon a particular
45 vehicle, and the location of the place of repossession,
46 storage and subsequent delivery, if any, of each vehicle,
47 which record shall be open to inspection by any police
48 officer or employee of the department.

49 (6) The provisions of this section shall not apply to any
50 work, company, or service vehicles of the financial
51 institution.

52 (7) The financial institution shall be required to furnish
53 a certificate of insurance in the amount of twenty thousand
54 dollars because of bodily injury to or death of any one
55 person in any one accident, forty thousand dollars because
56 of bodily injury or death to two or more persons in any one
57 accident, and ten thousand dollars because of injury to or
58 destruction of property of others in any one accident.

59 (8) For purposes of this section, "financial institution"
60 shall mean any state bank, state savings and loan
61 association, state building and loan association, national
62 bank, federally chartered savings and loan, savings bank,
63 industrial bank, industrial loan company, or similar
64 institution.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

James L. Davis
.....
Chairman Senate Committee

Donald Anello
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Jodd C. With
.....
Clerk of the Senate

Donald J. Hoop
.....
Clerk of the House of Delegates

Warren McInnis
.....
President of the Senate

W. M. Lee, Jr.
.....
Speaker House of Delegates

The within... *is approved*this the... *30*
day of... *March*, 1984

.....
John P. Dyer
Governor

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SECY. OF STATE