2017 Regular Session

HOUSE BILL NO. 432

BY REPRESENTATIVE SHADOIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MTR VEHICLE/REGISTRATION: Imposes certain requirements on transactions executing the transfer of certificates of title of certain movable property

1	AN ACT
2	To amend and reenact R.S. 34:852.6(A), and to enact R.S. 32:702(17) and 705(B)(4),
3	relative to transactions executing the transfer of certificates of title of certain
4	movable property; to provide for definitions; to regulate certain transactions
5	transferring certificates of title of movable property; to impose certain procedural
6	requirements; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 32:702(17) and 705(B)(4) are hereby enacted to read as follows:
9	§702. Definitions
10	As used in this Chapter:
11	* * *
12	(17) "Authorized signer" means any officer of a federally insured financial
13	institution operating in Louisiana who is designated to witness the endorsement of
14	a seller, on behalf of a federally insured financial institution, for the purpose of
15	executing the transfer of a titled motor vehicle or titled vehicle in accordance with
16	the requirements of this Chapter. A federally insured financial institution may
17	designate one or more officers to serve as authorized signers.
18	* * *
19	§705. Delivery of certificate to purchaser of vehicle
20	* * *

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	B. For purposes of this Section, an "endorsement" means one of the
2	following:
3	* * *
4	(4)(a) The signature of the seller witnessed by an authorized signer when the
5	seller is transferring ownership to a purchaser who is granting a security interest in
6	the vehicle to the federally insured financial institution that is making a secured loan
7	to the purchaser.
8	(b) The federally insured financial institution shall provide the Department
9	of Public Safety and Corrections, office of motor vehicles, with a separate document
10	identifying the name and job title of the authorized signer for the purpose of
11	verifying that the person signing as a witness is an authorized signer of that
12	particular financial institution.
13	Section 2. R.S. 34:852.6(A) is hereby amended and reenacted to read as follows:
14	§852.6. Prohibition of vessel or outboard motor sale, assignment, or transfer without
15	certificate of title or documentation
16	A.(1) No person shall sell, assign, or transfer a vessel or outboard motor
17	titled by the department or documented with the United States Coast Guard without
18	delivering to the new owner or the new owner's designee a certificate of title or a
19	certificate of documentation with an assignment in the new owner's name.
20	(2)(a) Notwithstanding the requirements of Paragraph (1) of this Subsection
21	or any other law to the contrary, if a person sells, assigns, or transfers a vessel or
22	outboard motor titled by the department to a purchaser who obtains a secured loan
23	from a federally insured financial institution that takes a security interest in the
24	vessel or outboard motor, the endorsement or assignment of the certificate of title
25	shall be signed by the seller and witnessed by an authorized signer.
26	(b) The federally insured financial institution shall provide the department
27	with a separate document identifying the name and job title of the authorized signer
28	for the purpose of verifying that the person signing as a witness is an authorized
29	signer of that particular financial institution.

1	(c)(i) For the purposes of this Section, "authorized signer" shall mean any
2	officer of a federally insured financial institution operating in Louisiana who is
3	designated to witness the endorsement or assignment of a certificate of title of a
4	seller, on behalf of a federally insured financial institution, for the purpose of
5	executing the transfer of either a vessel or an outboard motor.
6	(ii) A federally insured financial institution may designate one or more
7	officers to serve as authorized signers.
8	* * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 432 Original

2017 Regular Session

Shadoin

Abstract: Requires that certain transactions transferring the certificate of title of certain movable property be witnessed by an authorized signer of a federally insured financial institution.

Present law provides for definitions. Proposed law defines the term "authorized signer".

<u>Present law</u> enumerates certain circumstances that are deemed "endorsements" for the purposes of <u>present law</u> regarding the delivery of certificates of title to the purchaser of a vehicle. <u>Proposed law</u> adds another circumstance to be deemed an "endorsement" for the purposes of <u>present law</u>.

<u>Proposed law</u> provides that the signature of the seller witnessed by an authorized signer when the seller is transferring ownership to a purchaser who is granting a security interest in the vehicle to the federally insured financial institution that is making a secured loan to the purchaser shall be considered an "endorsement" for the purposes of <u>present law</u>.

<u>Proposed law</u> requires the federally insured financial institution to provide to the DPS&C, office of motor vehicles, with a separate document identifying the name and job title of the authorized signer for the purpose of verifying that the person signing as a witness is an authorized signer of that particular financial institution.

<u>Present law</u> provides that no person shall sell, assign, or transfer a vessel or outboard motor titled by the DWF or documented with the U. S. Coast Guard without delivering to the new owner or the new owner's designee a certificate of title or a certificate of documentation with an assignment in the new owner's name.

<u>Proposed law</u> maintains <u>present law</u>. <u>Proposed law</u> further provides that, notwithstanding the requirements of <u>present law</u> or any other law to the contrary, if a person sells, assigns, or transfers a vessel or outboard motor titled by the DWF to a purchaser who obtains a secured loan from a federally insured financial institution that takes a security interest in the vessel or outboard motor, the endorsement or assignment of the certificate of title shall be signed by the seller and witnessed by an authorized signer.

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<u>Proposed law</u> requires the federally insured financial institution to provide the DWF with a separate document identifying the name and job title of the authorized signer for the purpose of verifying that the person signing as a witness is an authorized signer of that particular financial institution.

<u>Proposed law</u> provides that for the purposes of <u>proposed law</u>, "authorized signer" shall mean any officer of a federally insured financial institution operating in La. who is designated to witness the endorsement or assignment of a certificate of title of a seller, on behalf of a federally insured financial institution, for the purpose of executing the transfer of either a vessel or an outboard motor. <u>Proposed law</u> provides that a federally insured financial institution may designate one or more officers to serve as authorized signers.

(Amends 34:852.6(A); Adds R.S. 32:702(17) and 705(B)(4))