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SENATE BILL

**56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

INTRODUCED BY

Siah Correa Hemphill

AN ACT

RELATING TO MOTOR VEHICLES; PROVIDING FOR CERTIFICATES OF TITLE AND RELATED DOCUMENTS FOR TOTAL LOSS SETTLEMENTS TO BE SIGNED ELECTRONICALLY AND WITHOUT NOTARIZATION.

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

SECTION 1. Section 66-3-4 NMSA 1978 (being Laws 1978, Chapter 35, Section 24, as amended) is amended to read:

"66-3-4. APPLICATION FOR REGISTRATION AND CERTIFICATE OF TITLE--NONREPAIRABLE VEHICLE CERTIFICATE.--

A. Except for a vehicle owned by a carrier that is from a jurisdiction that is not a participant in the International Fuel Tax Agreement, that is authorized by the United States government or an agency of the United States government to conduct cross-border operations beyond the commercial border zone pursuant to the provisions of the [North

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1 ~~American Free Trade~~ United States-Mexico-Canada Agreement and  
2 that identifies New Mexico as the carrier's base jurisdiction,  
3 every owner of a vehicle of a type required to be registered in  
4 this state shall make application to the division for the  
5 registration and issuance of a certificate of title for the  
6 vehicle. Applications shall be upon the appropriate forms  
7 furnished by the division and shall bear the signature of the  
8 owner; provided that the signature may either be made using an  
9 electronic signature in conformance with the Electronic  
10 Authentication of Documents Act and the Uniform Electronic  
11 Transactions Act or written with pen and ink. All applications  
12 presented to the division shall contain:

13 (1) for a vehicle other than a recreational  
14 vehicle, the name, bona fide New Mexico residence address and  
15 mail address of the owner or, if the owner is a firm,  
16 association or corporation, the name, bona fide New Mexico  
17 business address and mail address of the firm, association or  
18 corporation and for a recreational vehicle, the name, bona fide  
19 residence address and mail address of the owner and proof of  
20 delivery in New Mexico;

21 (2) a description of the vehicle including, to  
22 the extent that the following specified data may exist with  
23 respect to a given vehicle, the make, model, type of body,  
24 number of cylinders, type of fuel used, serial number of the  
25 vehicle, odometer reading, engine or other identification

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1 number provided by the manufacturer of the vehicle, whether new  
2 or used and, if a vehicle not previously registered, date of  
3 sale by the manufacturer or dealer to the person intending to  
4 operate the vehicle. In the event a vehicle is designed,  
5 constructed, converted or rebuilt for the transportation of  
6 property, the application shall include a statement of its  
7 rated capacity as established by the manufacturer of the  
8 chassis or the complete vehicle;

9 (3) a statement of the applicant's title and  
10 of all liens or encumbrances upon the vehicle and the names and  
11 addresses of all persons having an interest in the vehicle, the  
12 nature of each interest and the name and address of the person  
13 to whom the certificate of title shall be delivered by the  
14 division;

15 (4) if the vehicle required to be registered  
16 is a house trailer, as defined in the Motor Vehicle Code, a  
17 certificate from the treasurer or assessor of the county in  
18 which the house trailer is located showing that either:

19 (a) all property taxes due or to become  
20 due on the house trailer for the current tax year or any past  
21 tax years have been paid; or

22 (b) no liability for property taxes on  
23 the house trailer exists for the current year or any past tax  
24 years; and

25 (5) further information as may reasonably be

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1 required by the division to enable it to determine whether the  
2 vehicle is lawfully entitled to registration and the owner  
3 entitled to a certificate of title.

4 B. The owner of a vehicle subject to registration  
5 that has never been registered in this state and that has been  
6 registered in another state, except manufactured homes, shall  
7 have the vehicle examined and inspected for its identification  
8 number or engine number by the division or an officer or a  
9 designated agent of the division incident to securing  
10 registration, reregistration or a certificate of title from the  
11 division.

12 C. When an application refers to a vehicle not  
13 previously registered and the vehicle is purchased from a  
14 dealer licensed in this state or a dealer licensed or  
15 recognized as such in any other state, territory or possession  
16 of the United States, the application shall be accompanied by a  
17 manufacturer's certificate of origin duly assigned by the  
18 dealer to the purchaser. In the event that a vehicle not  
19 previously registered is sold by the manufacturer to a dealer  
20 in a state not requiring a manufacturer's certificate of origin  
21 and in the event that the vehicle is subsequently purchased by  
22 a dealer or any person in this state, the application for title  
23 shall be accompanied by the evidence of title accepted by the  
24 state in which the vehicle was sold by the manufacturer to a  
25 dealer in that state together with evidence of subsequent

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1 transfers.

2 D. Prior to the sale or disposal of a nonrepairable  
3 vehicle, the owner, owner's agent or salvage pool shall obtain  
4 a properly endorsed nonrepairable vehicle certificate from the  
5 department and deliver it to the purchaser within twenty days  
6 after payment in full for the nonrepairable vehicle and shall  
7 also comply with Section 66-3-10.1 NMSA 1978. The department  
8 shall accept the endorsed nonrepairable vehicle certificate in  
9 lieu of the certificate of ownership or other evidence of  
10 ownership when accompanied by an application and other  
11 documents and fees as may be required by the department. A  
12 vehicle for which a nonrepairable vehicle certificate has been  
13 issued shall not be titled or registered for use on the  
14 highways of this state.

15 E. If an insurance company makes a total loss  
16 settlement on a nonrepairable vehicle and takes possession of  
17 that vehicle, either itself or through an agent or salvage  
18 pool, the insurance company or an authorized agent of the  
19 insurance company shall:

20 (1) stamp the face of the title or  
21 manufacturer's certificate of origin with the word  
22 "NONREPAIRABLE", in letters no less than one-half inch high, at  
23 an angle of approximately forty-five degrees to the text of the  
24 title or manufacturer's certificate of origin; and

25 (2) within twenty days after receipt of title

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1 by the insurer, free and clear of all liens, submit a copy of  
2 the branded title or manufacturer's certificate of title to the  
3 department together with documents explaining the reason for  
4 branding, and shall forward a properly endorsed certificate of  
5 title or manufacturer's certificate of origin or other evidence  
6 of ownership acceptable to the department together with the  
7 proper fee to the department. The department, upon receipt of  
8 the title or manufacturer's certificate of origin or other  
9 evidence of ownership, shall issue a nonrepairable vehicle  
10 certificate for the vehicle.

11 F. Notwithstanding any other statute, supporting  
12 documents, including certificates of title, used for conveyance  
13 of ownership of a motor vehicle to an insurance company as a  
14 result of a total loss insurance settlement shall not require a  
15 notarized signature and may be signed electronically.

16 ~~[F.]~~ G. If an owner of a nonrepairable vehicle  
17 elects to retain possession of the vehicle, the insurance  
18 company shall notify the department of the retention on a form  
19 prescribed by the department. The insurance company shall also  
20 notify the insured or owner of the insured's or owner's  
21 responsibility to comply with this section. The owner shall,  
22 within twenty days from the date of settlement of the loss,  
23 forward a properly endorsed certificate of title or  
24 manufacturer's certificate of origin or other evidence of  
25 ownership acceptable to the department together with the proper

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1 fee to the department. The department, upon receipt of the  
2 title or manufacturer's certificate of origin or other evidence  
3 of ownership, shall issue a nonrepairable vehicle certificate  
4 for the vehicle.

5 ~~[G.]~~ H. If a nonrepairable vehicle is not the  
6 subject of an insurance settlement, the owner shall, within  
7 twenty days from the date of the loss, forward a properly  
8 endorsed certificate of title or manufacturer's certificate of  
9 origin or other evidence of ownership acceptable to the  
10 department together with the proper fee to the department. The  
11 department, upon receipt of the title or manufacturer's  
12 certificate of origin or other evidence of ownership, shall  
13 issue a nonrepairable vehicle certificate for the vehicle.

14 ~~[H.]~~ I. The department shall not issue a new  
15 registration card and certificate of ownership pursuant to  
16 Subsection A, B or C of this section on a vehicle that has been  
17 issued a nonrepairable vehicle certificate pursuant to  
18 Subsections E, ~~[F]~~ G and ~~[G]~~ H of this section."