

Appendix 4: Titling Vehicles in Minnesota

In Minnesota, titles for vehicles are issued based on the VIN on the cab, rather than the frame. This is true for both passenger and commercial vehicles. Issuing a title based on the cab has implications for salvage vehicles that are repaired or reconstructed.



Junked Commercial Vehicles

The above vehicle was declared a junk vehicle by an insurance company. The junk status is recorded in a national database. Due to its junk status, this vehicle is not to be titled and cannot be operated on the road in most states including Minnesota. (A few states, including Kentucky and Alaska, allow a junk vehicle to be titled and operated on their roads.)

As you can see by these photos, the cab is severely damaged. The frame may also be bent. Because it was declared junk, this vehicle can be used for parts only in Minnesota. A rebuilder purchased this vehicle at auction and rather than use it for parts, the rebuilder took the cab off of this vehicle, and replaced it with a salvaged Freightliner cab that was not crushed. The rebuilder then brought it in for inspection as a salvage vehicle. The rebuilder provided a Declaration of Reconstruction that states the frame was replaced, rather than the cab. The rebuilder also provided a receipt for the purchase of the junked vehicle. The inspector checks the VIN on the frame proving it was indicated on the declaration correctly. (Note: This is NOT a safety inspection. The inspector is checking for stolen parts or a stolen vehicle.) Because Minnesota issues the title based on the cab and not the frame, this inspection results in a pass and the vehicle is then given a title and registration to be operated on the road.

The vehicle is sold to a new buyer who likely does not have knowledge of the vehicle's prior salvage status or the junk history of the frame, as commercial vehicles are exempt from the consumer protections requirements in Chapter 325F. If the owner takes this vehicle to a state like California or Texas, where commercial vehicles are titled by their frame number. When the frame number is identified and run through the national database, the frame number comes back as Junked/Non-repairable. A state that titles based off of the frame number will not issue a title or registration for this vehicle even though Minnesota did.

Issues like these are common as there are no restrictions on which parts of a junked vehicle can be used in reconstruction and there is no requirement that the salvage nature of a commercial vehicle be disclosed to the buyer.

Titling the Vehicle

Another situation that can arise when issuing title based on the VIN on the cab is that a vehicle can receive a new make, model, and year by only changing the cab. For example, if a 2010 Peterbilt truck is in salvage accident in which the cab is crushed. The frame suffers no damage. A Salvage buyer can replace the cab with a 2020 Peterbilt cab that they purchased from another wreck. Buyer brings the vehicle in for inspection, presents a declaration of reconstruction stating they replaced the cab. Buyer has proof of ownership for the replaced parts and receives a passed inspection. (Note: This is NOT a safety inspection. The inspector is checking for stolen parts or a stolen vehicle.) Because the vehicle has a 2020 Peterbilt cab, DVS will issue the vehicle a title for a 2020 Peterbilt, even though everything else (frame, engine, and transmission) is from a 2010 vehicle. The seller has no obligation to disclose any of the vehicle history to the buyer after it has been repaired and the title will not be branded "Prior Salvage" because of the exemption afforded to Commercial Vehicles under Minnesota Statutes section 325F.6644.

This would also be true for passenger vehicles as well such as large SUV's and Pickups with the body or cab of the vehicle replaced. They can become 10 years newer virtually overnight. However, these passenger vehicles will be branded as a "Prior Salvage" and "Reconstructed" and will also require verbal disclosure from a dealer because those sellers are subject to the consumer protections of Minnesota Statutes section 325F.6644.