



## MEMORANDUM IN SUPPORT

S.5369 (Tedisco) / A.6215 (Walsh)

**AN ACT** to amend the vehicle and traffic law, in relation to repossession of motor vehicle or motorcycle

The Capital Region Chamber, representing businesses and organizations from throughout the Capital Region that employ more than 150,000 area residents, supports S.5369 /A.6215, which would amend the Vehicle and Traffic Law to remove a bureaucratic obstacle and simplify the ability of a motor vehicle owner to redeem a motor vehicle or motorcycle which has been repossessed.

Specifically, this bill would amend Section 425(1) of the Vehicle and Traffic Law to change the time frame in which the reposessor of a motor vehicle must submit the license plates to the Department of Motor Vehicles (DMV). It also provides an additional option for notifying the affected vehicle owner.

Currently, under the Vehicle and Traffic Law, requires a reposessor to notify the DMV and deliver licenses plates within twenty-four hours of repossessing a motor vehicle or motorcycle. However, under the Uniform Commercial Code, debtors are provided a reasonable period of time (generally 10 days) to redeem their vehicle. In most cases, DMV has not processed the returned plates. Consequently, the vehicle owner must pay to reregister the vehicle and obtain new plates from DMV.

By amending the Vehicle and Traffic Law to conform to the same time frame under the Uniform Commercial Code, the consumer will avoid the added burden and expense of reregistering a vehicle.

The bill would also allow a reposessor to provide notice to a vehicle owner by a combination of first class mail and either via phone, email or text message. This amendment will ensure that the vehicle owner receives notice in a timely fashion.

For the above stated reasons, the Capital Region Chamber recommends the passage of this legislation.

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