STATE OF MINNESOTA

IN SUPREME COURT

A16-0768

Court of Appeals — Gildea, C.J.

Russell Eldon Briles,

Respondent/Cross-Appellant,

vs.

Filed: February 14, 2018
Office of Appellate Courts

2013 GMC Terrain, MN License Number 168 KSE,
VIN: 2GKFLZE3XD6336507,

Appellant/Cross-Respondent.

James M. Ventura, Wayzata, Minnesota, for respondent/cross-appellant.

Ronald Hocevar, Scott County Attorney, Todd P. Zettler, First Assistant County Attorney, Shakopee, Minnesota, for appellant/cross-respondent.

Mahesha P. Subbaraman, Subbaraman PLLC, Minneapolis, Minnesota, for amicus curiae Americans for Forfeiture Reform.

Daniel J. Koewler, Ramsay Law Firm, P.L.L.C., Roseville, Minnesota for amicus curiae Minnesota Association of Criminal Defense Lawyers.

S Y L L A B U S

1. A complaint for judicial determination of a forfeiture under Minn. Stat. § 169A.63, subd. 8 (2016) is time-barred if it is filed more than 60 days after receipt of the notice the statute requires.

2. Because insurance proceeds payable as a result of damage to a forfeited vehicle are not a part of all "right, title, and interest" in the vehicle under Minn. Stat. § 169A.63 (2016), that statute does not authorize the forfeiture of insurance proceeds.

Affirmed.

O P I N I O N

GILDEA, Chief Justice.

This case asks us to interpret the vehicle forfeiture statute, Minnesota Statutes § 169A.63 (2016). Respondent Russell Briles brought a complaint under Minn. Stat. § 169A.63, subd. 8(e), challenging the forfeiture of his vehicle and the insurance proceeds payable to him under an insurance policy covering property damage to the vehicle. The district court dismissed the complaint because Briles filed it more than 60 days after he received the notice section 169A.63 requires. The court of appeals affirmed the district court's conclusion that Briles filed his complaint too late, but reversed the district court's conclusion that the insurance proceeds were subject to forfeiture under section 169A.63. Because we conclude that Briles's complaint is time barred, but that insurance payments are not subject to forfeiture under section 169A.63, we affirm the court of appeals.

FACTS

Russell Briles owned a 2013 GMC Terrain, which was driven by his son and heavily damaged in a single-vehicle accident. The City of Savage police arrested Briles's son for driving under the influence of alcohol as a result of the accident and seized the vehicle. On September 25, 2015, the police department served Briles with a timely notice of the seizure and the intention to seek forfeiture of the vehicle, as required by Minn. Stat. § 169A.63,

subd. 8. The notice described Briles's rights under the statute and informed Briles that if he did not file a complaint for judicial determination of the forfeiture within 60 days, pursuant to Minn. Stat. § 169A.63, subd. 8(e), he would lose the vehicle "automatically." *Id.*, subd. 8(c). Briles did not file a complaint within 60 days.

Also on September 25, the Scott County Attorney sent a letter to Briles's insurer, notifying the carrier of the forfeiture. The letter asserted a right to any insurance proceeds for the vehicle and asked the insurer to delay the disbursement of those proceeds until the forfeiture was completed. Briles was not provided a copy of the letter and the County did not otherwise notify him of the County's intention to seek forfeiture of the insurance proceeds. Briles did not learn of the letter to his insurance company until sometime in December, after the 60-day deadline in Minn. Stat. § 169A83, subd. 8(e) had passed. When he learned of the letter, Briles filed a complaint for judicial determination under Minn. Stat. § 169A.63, subd. 8, challenging the County's forfeiture of both the vehicle and the insurance proceeds.

The district court dismissed Briles's complaint. The court concluded that because insurance proceeds are part of all "right, title, and interest" in a vehicle, Minn. Stat. § 169A.63, subd. 3, Briles received proper notice of the forfeiture of the insurance proceeds in the September 25 letter he received from the police. Given that Briles filed his complaint more than 60 days after he received that notice, the court held that his complaint was untimely and the court had no jurisdiction over it.

Briles appealed and the court of appeals affirmed in part and reversed in part. *Briles v. 2013 GMC Terrain*, 892 N.W.2d 525, 533 (Minn. App. 2017). The court of appeals

affirmed the district court's dismissal of the complaint as untimely. *Id.* at 530. But the court concluded that insurance proceeds are not part of all "right, title, and interest" in a vehicle and therefore not subject to forfeiture under Minn. Stat. § 169A.63. *Briles*, 892 N.W.2d at 531. We granted the County's petition for review on the question of whether insurance proceeds are subject to forfeiture under section 169A.63 and also granted Briles's conditional cross-petition for review on the question of whether he timely filed his complaint.[1]

ANALYSIS

On appeal, the County argues that the insurance proceeds on Briles's vehicle as well as the vehicle itself are subject to forfeiture under Minn. Stat. § 169A.63. Briles disagrees and argues that the district court should not have dismissed his complaint as untimely under the statute. The parties' arguments present issues of statutory interpretation that we review de novo. *State v. Leathers*, 799 N.W.2d 606, 608 (Minn. 2011).

Before turning to the parties' specific arguments, we look first at the statute. Under Minn. Stat. § 169A.63, subd. 8(a), vehicles used in the commission of a "designated offense" are subject to forfeiture. The offense with which police charged Briles's son—

[1] Briles moved to strike portions of the County's statement of the case, facts, and addendum that relate to earlier impaired-driving-incidents involving his son. In an August 14, 2017 order, we deferred decision on this motion until we reached the merits. *Briles v. 2013 GMC Terrain*, No. A16-0768, Order at 1 (Minn. filed Aug. 14, 2017). The State charged Briles's son with second-degree driving while impaired. The prior incidents provide the factual basis for the aggravating factors required for second-degree driving while impaired. *See* Minn. Stat. § 169A.25 (2016) ("A person . . . is guilty of second-degree driving while impaired if two or more aggravating factors were present when the violation was committed."). Accordingly, we deny Briles's motion.

second-degree driving while impaired—is a "designated offense." Minn. Stat. § 169A.63, subd. 1(e)(1) (defining "designated offense" as including second-degree driving while impaired). By operation of the forfeiture statute, "[a]ll right, title, and interest in a vehicle subject to forfeiture . . . vests in the appropriate agency upon commission of the conduct resulting in the designated offense." Minn. Stat. § 169A.63, subd. 3. But the agency must give notice of its intention to forfeit to the owner of the vehicle and inform the owner of the owner's right to challenge the forfeiture. Minn. Stat. § 169A.63, subd. 8(b)–(c). Specifically, the notice must tell the owner about the owner's right to seek a judicial determination of the forfeiture by filing a complaint within 60 days of receiving that notice, and that if a complaint is not filed within 60 days, the owner will lose the property at issue. Minn. Stat. § 169A.63, subd. 8(c)(3). With these statutory provisions in mind, we turn to the parties' arguments.

I.

We turn first to Briles's argument that the district court erred in dismissing his complaint as untimely. It is undisputed that Briles filed his complaint more than 60 days after he received the September 25 letter from police. Nevertheless, Briles argues that his complaint should be allowed to proceed. We disagree.

As noted above, the statute requires that a complaint for judicial determination of the forfeiture be filed within 60 days of service of the notice the statute mandates. Minn. Stat. § 169A.63, subd. 8(e); *see also* Minn. Stat. § 169A.63, subd. 8(c)(3) (requiring that the notice inform the owner that "[y]ou will automatically lose the [property at issue] and the right to be heard in court if you do not file a lawsuit and serve the prosecuting authority

within 60 days"). The statute also plainly provides that "an action for the return of a vehicle seized under this section *may not be maintained* by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision." Minn. Stat. § 169A.63, subd. 8(f) (emphasis added).

The statute unambiguously requires the timely filing of a petition for judicial determination to challenge the forfeiture of a vehicle.[2] Minn. Stat. § 169A.63, subd. 8(c)(3). Briles received a timely notice of the intention to forfeit his vehicle, and he therefore knew of the 60-day period in which to file a challenge to that forfeiture. Briles, however, did not file a complaint for judicial determination within that 60-day period. Because Briles did not comply with the statutory time limit, his complaint was untimely, and the district court properly dismissed it. Minn. Stat. § 169A.63, subd. 8(f).

In urging us to conclude otherwise, Briles argues that the district court should not have dismissed his complaint because his son stole the vehicle and the vehicle therefore is not subject to forfeiture under the statute. Briles is correct that stolen vehicles are exempt

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[2] The district court and court of appeals characterized this time limit as a jurisdictional limit, depriving the district court of subject matter jurisdiction to hear the case. *See Briles*, 892 N.W.2d at 528. As we have noted, however, not all time bars operate as jurisdictional limits. *See Weitzel v. State*, 883 N.W.2d 553, 557 (Minn. 2016) (noting that limitation periods for filing a petition for postconviction relief under Minn. Stat. § 590.01 are not jurisdictional); *Hooper v. State*, 838 N.W.2d 775, 780–81 (Minn. 2013) (holding that the limitation period under Minn. Stat. § 590.01, subd. 4(a) is not jurisdictional); *In re Civil Commitment of Giem*, 742 N.W.2d 422, 427–28 (Minn. 2007) (discussing cases and concluding that not all time limits are jurisdictional); *Ruby v. Vannett*, 714 N.W.2d 417, 421–22 (Minn. 2006) (holding that deadlines for filing and hearing motion for a new trial or for amended findings under Minn. R. Civ. P. 59.03 are not jurisdictional). Given our resolution of this case, we need not determine whether the time limit in Minn. Stat. § 169A.63, subd. 8, is jurisdictional, and therefore we express no opinion on that issue.

from forfeiture under the statute. *See* Minn. Stat. § 169A.63, subd. 1(g) (excluding from the definition of "motor vehicle" vehicles "stolen or taken in violation of the law"). But the time to raise this argument was within 60 days of receipt of the September 25 notice. Minn. Stat. § 169A.63, subd. 8(f) (noting that complaint "must state with specificity the grounds on which the claimant alleges the vehicle was improperly seized"). *See also Patino v. One 2007 Chevrolet*, 821 N.W.2d 810, 813 (Minn. 2012) ("If the owner makes no demand for judicial determination or fails to make such a demand within the allotted time, the vehicle is administratively forfeited and the owner loses all rights to the vehicle."). Accordingly, we reject the stolen-vehicle argument.

Briles also argues that his delay beyond the 60-day deadline should be excused based on the doctrine of unclean hands. He contends that the vehicle was stolen and the County knew the vehicle was stolen, and that therefore, the County's efforts to forfeit the vehicle are inequitable. But even if the 60-day deadline in the statute was subject to tolling on the basis of unclean hands, an issue we need not decide, Briles's unclean-hands theory does not come close to meeting the "high" standard we apply for tolling. *See Sanchez v. State*, 816 N.W.2d 550, 560–61 (Minn. 2012) (declining to decide whether equitable tolling applied to toll the statute of limitations where petitioner did not offer evidence sufficient to meet the "necessarily . . . high" standard for tolling).

In sum, Briles filed his complaint more than 60 days after he received notice of the intended forfeiture of his vehicle. We therefore hold that the district court properly dismissed the complaint insofar as it challenged the forfeiture of the vehicle.

II.

Even though we have concluded that the district court properly dismissed Briles's complaint as untimely, that conclusion does not resolve this appeal because Briles separately challenges the forfeiture of the insurance proceeds. Specifically, Briles argues that, because he did not get timely notice that the County intended to seek forfeiture of not only his vehicle, but also the insurance proceeds payable under the insurance policy covering his vehicle, the proceeds are not forfeitable. The County disagrees, contending that the September 25 notice letter satisfied its obligation to give Briles notice because the letter cited Minnesota Statutes § 169A.63. Under the statute, "[a]ll right, title, and interest" in the vehicle is subject to forfeiture. *See* Minn. Stat. § 169A.63, subd. 3. Because insurance proceeds are an "interest" in a vehicle, the County contends, the statutory citation was sufficient to give Briles notice. The parties' arguments require us to determine whether insurance proceeds payable on a vehicle that is subject to forfeiture under Minn. Stat. § 169A.63 are also subject to forfeiture because those proceeds are part of the owner's "right, title, and interest" in the vehicle. We conclude that they are not.

We generally give the words of a statute their plain and ordinary meanings, but we interpret technical words and phrases according to their special, technical meanings. *State v. Schouweiler*, 887 N.W.2d 22, 25 (Minn. 2016). Whether a word is used in a technical sense is based on the context in which it is used. *Id.* The phrase "right, title, and interest" is a technical term with a well-developed legal meaning. We have recognized that a transfer using the phrase "right, title, and interest" conveys all *interest* in a piece of property. *See Tuttle v. Boshart*, 92 N.W. 1117, 1118 (Minn. 1903) ("[T]he operative words

of the quitclaim deed in question were broad enough to include whatever and all *interest* the grantor might have had in the premises . . . ." (emphasis added)); *see also* Minn. Stat. § 507.06 (2016) ("A deed of quitclaim and release shall be sufficient to pass all the estate which the grantor could convey . . . ."); Minn. Stat. § 507.07 (2016) ("Every such [quitclaim deed], duly executed, shall be a conveyance to the grantee . . . of all right, title, and interest of the grantor in the premises . . . ."); *see also* Bryan A. Garner, *Garner's Dictionary of Legal Usage* 788–89 (3d ed. 2011) ("[Right, title, and interest], one of the classic triplets of the legal idiom, is the traditional language for conveying a quitclaim interest.").

As a triplet, Garner notes, "only one of the three words is necessary, as the broad meaning of *interest* includes the others." *Id.* "Interest" is defined as, "[a] legal share in something; all or part of a legal or equitable claim to or right in property." *Interest*, Black's Law Dictionary (8th ed. 2004). An "interest" under this definition must be an interest *in something*—some piece of property. In the context of the vehicle forfeiture statute, that property is the "vehicle subject to forfeiture," and only property rights in that vehicle are subject to forfeiture. *See* Minn. Stat. § 169A.63, subd. 3. Insurance proceeds that flow from an insurance policy that covers a vehicle subject to forfeiture are not an interest in that vehicle; they are payments due under an insurance contract.

The County's proposed interpretation of insurance proceeds, as part of the "interest in the vehicle," alters the language of the statute. Specifically, the County's interpretation, in effect, reads the word "in" as "about" or "relating to." But we cannot alter the words of the statute in this fashion. *Webber v. Webber*, 196 N.W. 646, 647 (Minn. 1923) ("[T]he

duty and prerogative of the court is to apply the law as it is."). An insurance contract is not an interest *in* a vehicle, it is a contract *about* a vehicle. Disregarding this distinction ignores our case law treating insurance contracts as separate and distinct from the insured property. *See Vetter v. Sec. Cont'l Ins. Co.*, 567 N.W.2d 516, 521 (Minn. 1997) (noting that insurance policies are contracts, and general principles of contract law, including the law of assignment, apply unless a statute provides otherwise); *Epland v. Meade Ins. Agency Assocs., Inc.*, 564 N.W.2d 203, 207 (Minn. 1997) ("[A] party to a contract may assign all beneficial rights to another . . . ."). In other words, the right to receive payments on an insurance contract arises not from the vehicle itself, but from the contract the insured has with the insurance company. Insurance proceeds therefore are not an "interest in a vehicle" under Minn. Stat. § 169A.63, subd. 3.[3]

The County also argues that in spite of the statutory language, *Schug v. $9,916.50 in U.S. Currency*, 669 N.W.2d 379 (Minn. App. 2003), *rev. denied* (Minn. Dec. 16, 2003), controls the outcome here. We disagree. *Schug* held that insurance payments were forfeitable under Minn. Stat. § 609.5312 (2016), after a conviction for criminal vehicular

[3] Minnesota Statutes § 169A.63, subd. 4 reinforces our interpretation of "right, title, and interest" in a vehicle as not including the right to any insurance proceeds payable because of damage to the vehicle. This provision refers to the value of a vehicle as its retail value only, with no reference to money from other sources. *See* Minn. Stat. § 169A.63, subd. 4 (providing that the owner of a seized vehicle may take possession of it by giving security or posting a bond payable to the seizing agency in the amount of the retail value of the vehicle.). The forfeiture then proceeds against the security or bond as if it were the seized vehicle. *Id.* The statute does not say a bond must be posted to cover the insurance proceeds for a vehicle declared a total loss or otherwise damaged; it simply requires a bond to cover retail value—no more, no less. This provision underscores our interpretation of "interest" as limited to the vehicle itself.

operation in violation of Minn. Stat. § 609.21, subd. 2a (2002). Section 609.5312 provides that "[a]ll personal property is subject to forfeiture if it was used or intended for use to commit or facilitate the commission of a *designated offense*." Minn. Stat. § 609.5312, subd. 1 (emphasis added). The statute listed several crimes in the definition for "designated offense," including criminal vehicular operation. Minn. Stat. § 609.531, subd. 1(f) (2002). But the offense at issue in this case—driving while intoxicated—was not a designated offense under section 609.5312 when *Schug* was decided and it is not a designated offense under the statute as it is currently written. *See* Minn. Stat. § 609.531, subd. 1(f) (2016).

Moreover, the statute at issue in *Schug* expressly provided that "[a]ll money and other property, real and personal, that represent *proceeds* of a designated offense, . . . are subject to forfeiture." Minn. Stat. § 609.5312, subd. 1 (emphasis added). The insurance payment in that case was arguably "proceeds" of the underlying criminal conduct of criminal vehicular operation, because but for the criminal vehicular operation, Schug would not have had any insurance payment. But the statute at issue here—Minn. Stat. § 169A.63—contains no such reference to "proceeds of a designated offence." For these reasons, *Schug* is inapposite.[4]

In sum, insurance proceeds are not part of all "right, title, and interest in a vehicle" under Minn. Stat. § 169A.63, subd. 3. Accordingly, the September 25 notice Briles

[4] The County's reliance on *In re Rebeau*, 787 N.W.2d 168 (Minn. 2010), is similarly unhelpful. Although we cited *Schug*, we did not discuss *Schug* or apply its reasoning in that attorney-discipline case because the issue presented in *Schug* was not before us in *Rebeau*. *See Rebeau*, 787 N.W.2d at 172. The reference to *Schug* in *Rebeau* is therefore dictum and does not assist in the resolution of this case.

received did not include those proceeds. Because insurance proceeds are not subject to forfeiture as part of the "right, title, and interest" in Briles's vehicle, whether such proceeds are forfeitable is not properly litigated within the confines of section 169A.63. *See* Minn. Stat. § 169A.63, subd. 9 (providing for "judicial determinations of the forfeiture of a motor vehicle"). The district court's dismissal of Briles's complaint to the extent it challenged the forfeiture of the insurance proceeds was therefore proper—but as to insurance payments, the complaint was dismissed for the wrong reasons.[5]

CONCLUSION

For the foregoing reasons, we affirm the decision of the court of appeals.

Affirmed.

[5] Because insurance proceeds are not subject to forfeiture under Minn. Stat. § 169A.63, the dismissal of Briles's complaint brought under that statute is without prejudice to the rights and remedies the parties here and others may have in future proceedings involving the insurance payments.