

IN THE SENATE

SENATE BILL NO. 1089, As Amended

BY COMMERCE AND HUMAN RESOURCES COMMITTEE

AN ACT

1 RELATING TO VEHICLE TITLES; AMENDING SECTION 49-524, IDAHO CODE, TO PROVIDE
2 REQUIREMENTS TO ALLOW A SALVAGE POOL TO ISSUE A SALVAGE CERTIFICATE WITH
3 AGREEMENT FROM THE INSURER TO A PURCHASER WITHOUT HAVING FIRST OBTAINED
4 A PROPERLY RELEASED CERTIFICATE OF ORIGIN OR CERTIFICATE OF TITLE.
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6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 49-524, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 49-524. SALVAGE CERTIFICATE OF OWNERSHIP OR ELECTRONIC FILE TO RE-
10 PLACE CERTIFICATE OF TITLE OR CERTIFICATE OF ORIGIN ON VEHICLES. (1) Every
11 person acquiring a vehicle which has been determined to be a salvage vehicle,
12 shall obtain a salvage certificate of ownership on that vehicle.

13 (2) The salvage certificate shall replace the certificate of origin,
14 certificate of title or other comparable ownership document and shall indi-
15 cate ownership only; it shall not be valid for registration purposes.

16 (3) A salvage certificate of ownership shall be issued by the depart-
17 ment or under the direction of the department and shall be on a form or elec-
18 tronic file as prescribed by the department. The form or electronic file
19 shall provide for assignments of the salvage certificate.

20 (4) The fee for a salvage certificate or electronic filing of a salvage
21 certificate shall be fifteen dollars (\$15.00). The fee shall be deposited in
22 the state highway account.

23 (5) Every insurer making payment for a vehicle which has been deter-
24 mined to be a salvage vehicle, shall within thirty (30) days from receipt of
25 the properly released certificate of origin or certificate of title, issue
26 a salvage certificate to the purchaser and surrender to the department the
27 ownership documents, a copy of the salvage certificate, the salvage certifi-
28 cate fee and other documents as required by the department for processing.
29 The department shall mark its records appropriately.

30 (6) If a salvage pool receives a certificate of title for a vehicle
31 which has been determined to be a salvage vehicle, he shall within thirty
32 (30) days and upon receipt of the properly released certificate of origin
33 or certificate of title, issue a salvage certificate to the purchaser and
34 surrender to the department the ownership documents, a copy of the salvage
35 certificate, the salvage certificate fee and other documents as required by
36 the department for processing. The department shall mark its records appro-
37 priately.

38 (7) If an insurer has made payment for a salvage vehicle, or a salvage
39 pool, is unable to obtain a properly released certificate of origin or cer-
40 tificate of title for the salvage vehicle within thirty (30) days after the
41 acceptance by the owner of an amount in settlement of a total loss, then the
42 salvage pool may issue a salvage certificate with agreement from the insurer

1 to the purchaser without having first obtained the properly released cer-
2 tificate of origin or certificate of title. Within ten (10) days of the is-
3 suance of a salvage certificate to the purchaser, the insurer or the salvage
4 pool shall submit to the department the following: a sworn statement that it
5 made at least two (2) written attempts to obtain from the owner the properly
6 released manufacturer's certificate of origin, manufacturer's statement of
7 origin or certificate of title, by sending notice to the owner at the owner's
8 address of record with the department; a copy of each such written attempt;
9 proper evidence of the satisfaction or discharge of any lien or encumbrance
10 properly noted upon the certificate of title or upon the electronic records
11 of the department; a copy of the salvage certificate; the salvage certifi-
12 cate fee; indemnifying affidavit; and other documents as required by the de-
13 partment for processing. The department shall mark its records appropri-
14 ately.

15 (8) It is a misdemeanor, punishable by up to six (6) months in jail, a
16 fine of one thousand dollars (\$1,000) or both, if the owner of a retained sal-
17 vage vehicle fails to surrender the title and be issued a salvage certifi-
18 cate, or to sell the vehicle and not tell the buyer that the vehicle is to-
19 taled.

20 (89) If an insurer has allowed the owner to retain ownership of the sal-
21 vage vehicle, the owner must surrender the certificate of title for such ve-
22 hicle to the department or the insurance company not later than thirty (30)
23 days from the date that the claim was satisfied. The insurer must notify the
24 department of a total loss payoff. The insurer or department shall issue a
25 salvage certificate to the owner prior to any sale or disposition of the sal-
26 vage vehicle.

27 (910) If an insurer acquires the certificate of title of a vehicle in a
28 settlement of a theft claim, the insurer shall immediately, upon receipt of
29 the properly released certificate of origin or certificate of title, issue a
30 salvage certificate in the name of the insurer and surrender to the depart-
31 ment the ownership documents, a copy of the salvage certificate, the salvage
32 certificate fee and other documents as required by the department for pro-
33 cessing.

34 (101) If an insurer has acquired a vehicle in a settlement of a theft
35 claim, has made application to and has been issued a new salvage certificate
36 in the name of the insurer and the vehicle is subsequently recovered and is
37 not a salvage vehicle, the insurer may complete an affidavit indemnifying
38 the department stating the facts of acquisition and disposition of the vehi-
39 cle in a form prescribed by the department and deliver the salvage certifi-
40 cate of ownership, affidavit and any other documents required by the depart-
41 ment to the transferee at the time of delivery of the vehicle. A notation of
42 "theft recovery" shall be made on the title record.

43 (112) Any person acquiring ownership of a salvage vehicle purchased in a
44 state or jurisdiction which does not require surrender of the certificate of
45 title or comparable ownership document shall, within thirty (30) days fol-
46 lowing delivery of the certificate of title or ownership document, surrender
47 such title or document to the department and apply for a salvage certificate.

48 (123) An owner of a salvage vehicle who sells or transfers said vehicle
49 shall provide a properly executed assignment of the salvage certificate of
50 ownership to the transferee.

1 (134) A purchaser of a salvage vehicle shall not possess or retain a sal-
2 vage vehicle without a salvage certificate. The salvage vehicle purchaser
3 shall display the salvage certificate upon the request of any peace officer
4 or agent of the department.