

IN THE SENATE

SENATE BILL NO. 1008

BY TRANSPORTATION COMMITTEE

AN ACT

1 RELATING TO THE ISSUANCE OF SALVAGE CERTIFICATES OF TITLE; AMENDING SECTION
2 49-524, IDAHO CODE, TO REMOVE THE REQUIREMENT TO ISSUE SALVAGE CER-
3 TIFICATES FROM INSURANCE COMPANIES AND SALVAGE POOLS, TO PROVIDE FOR
4 THE SUBMISSION OF APPLICATIONS FOR SALVAGE CERTIFICATES BY INSURANCE
5 COMPANIES AND SALVAGE POOLS, TO PROVIDE FOR THE ISSUANCE OF SALVAGE
6 CERTIFICATES BY THE DEPARTMENT, TO PROVIDE FOR THE NOTATION "THEFT
7 RECOVERY" TO APPEAR ON CERTIFICATES OF TITLE IN ADDITION TO THE TITLE
8 RECORD WHEN AN INSURER HAS ACQUIRED A VEHICLE IN A SETTLEMENT OF A THEFT
9 CLAIM AND, UPON RECOVERY, THE VEHICLE IS NOT A SALVAGE VEHICLE AND TO
10 MAKE TECHNICAL CORRECTIONS.
11

12 Be It Enacted by the Legislature of the State of Idaho:

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

15 49-524. SALVAGE CERTIFICATE OF ~~OWNERSHIP TITLE~~ OR ELECTRONIC FILE TO
16 REPLACE CERTIFICATE OF TITLE OR CERTIFICATE OF ORIGIN ON VEHICLES. (1) Ev-
17 ery person acquiring a vehicle ~~which that~~ has been determined to be a salvage
18 vehicle, shall obtain a salvage certificate of ~~ownership title~~ on that vehi-
19 cle.

20 (2) The salvage certificate of title shall replace the manufacturer's
21 certificate of origin, manufacturer's statement of origin, certificate of
22 title or other comparable ownership document and shall indicate ownership
23 only; it shall not be valid for registration purposes.

24 (3) A salvage certificate of ownership title shall be issued by the de-
25 partment or under the direction of the department and shall be on a form or
26 electronic file as prescribed by the department. The form ~~or electronic file~~
27 shall provide for assignments of the salvage certificate of title.

28 (4) The fee for a salvage certificate of title or electronic filing of a
29 salvage certificate of title shall be ~~fifteen dollars (\$15.00)~~ in accordance
30 with the provisions of section 49-202(2)(b), Idaho Code. The fee shall be
31 deposited in the state highway account.

32 (5) Every insurer making payment for a vehicle ~~which that~~ has been de-
33 termined to be a salvage vehicle, shall, within thirty (30) days from re-
34 ceipt of the properly released manufacturer's certificate of origin, manu-
35 facturer's statement of origin, or certificate of title, or other comparable
36 ownership document, issue a salvage certificate to the purchaser and sur-
37 render such document to the department, the ownership documents, a copy of
38 the along with an application for salvage certificate of title, the salvage
39 certificate of title fee and other documents as required by the department
40 for processing. The department shall mark its records appropriately issue a
41 salvage certificate of title to the applicant if all requirements have been
42 satisfied.

1 (6) If a salvage pool receives a manufacturer's certificate of origin,
2 manufacturer's statement of origin, certificate of title or other compara-
3 ble ownership document for a vehicle ~~which~~ that has been determined to be a
4 salvage vehicle, ~~he~~ the salvage pool shall, within thirty (30) days and upon
5 receipt of the properly released ~~certificate of origin or certificate of ti-~~
6 ~~tle,~~ issue a salvage certificate to the purchaser and ownership document,
7 surrender such document to the department, the ownership documents, a copy
8 of the along with an application for salvage certificate of title, the sal-
9 vage certificate of title fee and other documents as required by the depart-
10 ment for processing. The department shall mark its records appropriately
11 issue a salvage certificate of title to the applicant if all requirements
12 have been satisfied.

13 (7) If an insurer has made payment for a salvage vehicle, ~~and~~
14 the insurer or a salvage pool, is unable to obtain a properly released
15 manufacturer's certificate of origin, manufacturer's statement of origin,
16 ~~or~~ certificate of title or other comparable ownership document for the sal-
17 vage vehicle within thirty (30) days after the acceptance by the owner of an
18 amount in settlement of a total loss, then the insurer or salvage pool may
19 issue a salvage certificate with agreement from the insurer to the purchaser
20 submit an application for salvage certificate of title to the department
21 without having first obtained the properly released certificate of origin
22 or certificate of title one (1) of the aforementioned ownership documents.
23 Within ten (10) days of the issuance of a salvage certificate to the pur-
24 chaser In place of one (1) of the aforementioned ownership documents, the
25 insurer or the salvage pool shall submit to the department the following:
26 a sworn statement that it made at least two (2) written attempts to obtain
27 from the owner the properly released manufacturer's certificate of origin,
28 manufacturer's statement of origin, ~~or~~ certificate of title, or other com-
29 parable ownership document by sending notice to the owner at the owner's
30 address of record with the department, together with a copy of each such
31 written attempt. Additionally, the insurer or salvage pool shall include
32 proper evidence of the satisfaction or discharge of any lien or encumbrance
33 properly noted upon the certificate of title or upon the electronic records
34 of the department; a copy of the, an application for salvage certificate of
35 title, the salvage certificate of title fee, indemnifying affidavit, and
36 other documents as required by the department for processing. The depart-
37 ment shall mark its records appropriately issue a salvage certificate of
38 title if all requirements have been satisfied.

39 (8) It is a misdemeanor, punishable by up to six (6) months in jail, a
40 fine of one thousand dollars (\$1,000) or both, if the owner of a retained sal-
41 vage vehicle fails to surrender the title and be issued a salvage certificate
42 of title, or to sell the vehicle and not tell the buyer that the vehicle is to-
43 taled.

44 (9) If an insurer has allowed the owner to retain ownership of the sal-
45 vage vehicle, the owner must surrender the certificate of title for such ve-
46 hicle to the department ~~or the insurance company~~ not later than thirty (30)
47 days from the date that the claim was satisfied. The insurer must notify the
48 department of a total loss payoff within thirty (30) days. The ~~insurer or~~
49 department shall issue a salvage certificate of title to the owner prior to any
50 sale or disposition of the salvage vehicle.

1 (10) If an insurer acquires the manufacturer's certificate of origin,
2 manufacturer's statement of origin, certificate of title of a vehicle or
3 other comparable ownership document for a vehicle in a settlement of a theft
4 claim, the insurer shall immediately, upon receipt of the properly released
5 ~~certificate of origin or certificate of title~~ ownership document, issue a
6 ~~salvage certificate in the name of the insurer and surrender such document to~~
7 ~~the department, the ownership documents, a copy of the~~ along with an applica-
8 tion for salvage certificate of title in the name of the insurer, the salvage
9 certificate of title fee and other documents as required by the department
10 for processing.

11 (11) If an insurer has acquired a vehicle in a settlement of a theft
12 claim, has made application to and has been issued a new salvage certificate
13 of title in the name of the insurer and the vehicle is subsequently recovered
14 and is not a salvage vehicle, the insurer may complete an affidavit indemni-
15 fying the department stating the facts of acquisition and disposition of the
16 vehicle in a form prescribed by the department and deliver the salvage cer-
17 tificate of ownership, affidavit and any other documents required by the de-
18 partment to the transferee at the time of delivery of the vehicle. A notation
19 of "theft recovery" shall be made on the title certificate and title record.

20 (12) Any person acquiring ownership of a salvage vehicle purchased in
21 a state or jurisdiction ~~which~~ that does not require surrender of the cer-
22 tificate of title or comparable ownership document shall, within thirty (30)
23 days following delivery of the certificate of title or ownership document,
24 surrender such title or document to the department and apply for a salvage
25 certificate of title.

26 (13) An owner of a salvage vehicle who sells or transfers said vehicle
27 shall provide a properly executed assignment of the salvage certificate of
28 ownership to the transferee.

29 (14) A purchaser of a salvage vehicle shall not possess or retain a sal-
30 vage vehicle without a salvage certificate of title. The salvage vehicle
31 purchaser shall display the salvage certificate of title upon the request of
32 any peace officer or agent of the department.