

Committee on Banking and Insurance

CS/CS/SB 754 — Certificates of Title

by Transportation Committee; Banking and Insurance Committee; and Senator Bradley

The bill revises the process for applying for a salvage certificate of title or a certificate of destruction (COD) on a total loss motor vehicle. The bill defines a “late model vehicle” to mean an automobile 7 years or newer. The bill raises the 80 percent repair-to-value COD threshold to 90 percent, and limits its application to late model vehicles with a value of at least \$7,500 just prior to sustaining the damage resulting in total loss.

The bill further creates a new valuation standard requiring all other vehicles to be issued a COD if the vehicle after the total loss:

- Is damaged, wrecked or burned to the extent that the only residual value of the vehicle is a source of parts or scrap metal; or
- Comes into this state under a title or other ownership that indicates that the vehicle is non-repairable, junked, or for parts or dismantling only.

Lastly, the bill requires the Department of Highway Safety and Motor Vehicles (DHSMV) to provide a summary report to the Governor, the President of the Senate, and the Speaker of the House of Representatives regarding certificates of title for rebuilt vehicles. The summary report shall include the DHSMV recommendations to the Legislature to address any needed improvements to, and correct any problems with, the process used to issue certificates of title for rebuilt motor vehicles. Additionally, the report by the DHSMV must offer recommendations as to the need, and appropriate process, for inspecting the roadworthiness of rebuilt motor vehicles based on relevant data and data on crashes caused by vehicle defects involving rebuilt motor vehicles. Such report is to be presented on or before October 31, 2015.

If approved by the Governor, these provisions take effect July 1, 2014.

Vote: Senate 38-1; House 112-1