

HB 428 -- SALVAGE TITLES (Schatz)

COMMITTEE OF ORIGIN: Committee on Transportation

This bill allows an insurer that purchases a vehicle or trailer, subject to a lien, through the claims adjustment process to apply for a salvage title or junking certificate without obtaining a lien release. The insurer may request a letter of guarantee indicating the amount of the lien from each lien holder and pay the amount indicated within 10 days of receipt of the letter. Prior to applying for a salvage title or junking certificate, the insurer must provide to each lien holder a copy of the letter of guarantee and proof of payment from the claim file as proof of satisfaction for the lien or encumbrance. The insurer may then submit copies of all letters of guarantee, proof of payment and title for the vehicle or trailer to the Department of Revenue in lieu of a lien release for processing of the application.