

HCS HB 1875 -- SALVAGE TITLES TO VEHICLES PURCHASED BY INSURERS  
(Nance)

COMMITTEE OF ORIGIN: Committee on Insurance Policy

This substitute establishes a procedure by which insurers who purchase vehicles through the claims adjustments process can obtain a salvage title or junking certificate when an insurer is unable to obtain a negotiable title with an application to the Department of Revenue. The application must declare that the insurer has made at least two written attempts to obtain the certificate of ownership, transfer documents, or other acceptable evidence of title and be accompanied by proof of claims payment from the insurer, proof of delivery of the letters to the vehicle owner, a statement indicating how the vehicle came into the insurer's possession, a description of the vehicle, the current location of the vehicle, and the applicable fee. Thirty days prior to making application for title, an insurer must notify any owners or lienholders of record for the vehicle that the owner intends to apply for a certificate of title for the vehicle. Upon receipt of an application, the department director must search the records of the department or initiate an inquiry with another state if the vehicle was registered or titled in another state to verify the name and address of any owners and any lienholders. Any lienholder will have 30 days to notify the department before it issues a salvage title or junking certificate to the insurer.

FISCAL NOTE: No impact on state funds in FY 2013, FY 2014, and FY 2015.