



# HOUSE BILL 337: Change Salvage Vehicle Transfer Requirements.

2019-2020 General Assembly

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<b>Committee:</b>	Senate Transportation. If favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate	<b>Date:</b>	June 19, 2019
<b>Introduced by:</b>	Reps. Torbett, Lewis	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	Third Edition		Committee Counsel

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**OVERVIEW:** *House Bill 337 would make various changes to the motor vehicle titling laws of this State relating to salvage certificates of title.*

**[As introduced, this bill was identical to S248, as introduced by Sens. B. Jackson, Burgin, J. Davis, which is currently in Senate Rules and Operations of the Senate.]**

**CURRENT LAW:** Current law outlines the procedures related to assignment, surrender, or transfers of certificates of titles to motor vehicles, which includes motor vehicles damaged to the extent that it becomes a salvage vehicle.

A salvage vehicle is "any motor vehicle damaged by collision or other occurrence to the extent that the cost of repairs to the vehicle and rendering the vehicle safe for use on the public streets and highways would exceed seventy-five percent (75%) of its fair retail market value...."

Procedures vary depending on whether the owner decides to keep the vehicle, or whether an insurer or motor vehicle dealer is involved with taking possession or ownership of the salvage vehicle during or after the insurance claim process.

### **BILL ANALYSIS:**

**Section 1** would add a salvage certificate of title to the list of documents for which the North Carolina Division of Motor Vehicles (NCDMV) may receive electronically signed applications, and specifies that the Division shall be held harmless from any liability to a claim arising from applications submitted with an inaccurate electronic signatures.

**Section 2** would add a salvage certificate of title application to the list of transactions which NCDMV may receive electronically. This section would also clarify language authorizing registration vendors, under contract with the North Carolina Division of Motor Vehicles, to enter into contracts with used motor vehicle dealers of salvaged vehicles to complete and file documents for salvage title transactions.

**Section 3** would exempt transfers and assignments of title, to or from an insurer for salvage vehicles, from the notarization requirement.

**Section 4** would exempt an insurance company from the notarization requirement for a title reassignment and title warranty to transfer to a transferee.

**Section 5** would clarify that all salvage certificate of title applications by insurers pursuant to G.S. 20-109.1 would be subject to the application fee of \$20.

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Director



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**Section 6** would exclude the following documents from the notarization requirement when the transaction involves an insurer transaction for a salvaged motor vehicle: transfers of ownership on a certificate of title; a power of attorney designation; an odometer disclosure affidavit; salvage certificate of title application; a transfer of ownership on the salvage certificate of title; or an affidavit required for a transfer of title to an insurer when an owner fails to assign the certificate of title; or an affidavit on the salvage certificate of title.

**EFFECTIVE DATE:** This act would become effective October 1, 2019.