



HOUSE BILL 337: Change Salvage Vehicle Transfer Requirements.

2019-2020 General Assembly

Committee:		Date:	December 12, 2019
Introduced by:		Prepared by:	Howard Marsilio Staff Attorney
Analysis of:	S.L. 2019-153		

OVERVIEW: *S.L. 2019-153 makes various changes to the motor vehicle titling laws of this State relating to salvage certificates of title.*

This act became effective October 1, 2019.

CURRENT LAW: The General Statutes outline the procedures and requirements related to assignment, surrender, or transfers of certificates of titles to motor vehicles, which includes motor vehicles damaged to the extent that they become 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 of the act adds a salvage certificate of title to the list of documents for which the North Carolina Division of Motor Vehicles (DMV) 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 inaccurate electronic signatures.

Section 2 of the act adds a salvage certificate of title application to the list of transactions which DMV may receive electronically. This section also clarifies language authorizing registration vendors, under contract with the DMV, to enter into contracts with used motor vehicle dealers of salvaged vehicles to complete and file documents for salvage title transactions.

Section 3 of the act exempts transfers and assignments of title, to or from an insurer transaction relating to salvage vehicles, from the notarization requirement.

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

Section 5 of the act clarifies that all salvage certificate of title applications by insurers pursuant to G.S. 20-109.1 is subject to the application fee of \$20.

Section 6 of the act excludes the following documents from the notarization requirement when the transaction involves an insurer transaction relating to 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; a statement required for a

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

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transfer of title to an insurer when an owner fails to assign the certificate of title; or a statement on the salvage certificate of title.

EFFECTIVE DATE: This act became effective October 1, 2019.