

SENATE BILL No. 626

DIGEST OF INTRODUCED BILL

Citations Affected: IC 9-22-3.

Synopsis: Certificates of title. Provides that the bureau of motor vehicles may issue a salvage title to a vehicle designated as "JUNK" in certain situations.

Effective: July 1, 2019.

Spartz

January 15, 2019, read first time and referred to Committee on Homeland Security and Transportation.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 626

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 9-22-3-3, AS AMENDED BY P.L.198-2016,
2 SECTION 383, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) A certificate of salvage title
4 is required for a vehicle that is manufactured within the last seven (7)
5 model years and meets any of the following criteria:
6 (1) An insurance company has determined that it is economically
7 impractical to repair the wrecked, destroyed, or damaged vehicle
8 and has made an agreed settlement with the insured or claimant.
9 (2) If the owner of the vehicle:
10 (A) is a business that insures its own vehicles; or
11 (B) acquired the vehicle after the vehicle was wrecked,
12 destroyed, or damaged;
13 the cost of repairing the wrecked, destroyed, or damaged vehicle
14 exceeds seventy percent (70%) of the fair market value
15 immediately before the vehicle was wrecked, destroyed, or
16 damaged.
17 (3) The vehicle is a flood damaged vehicle.



1 (b) The bureau may issue a salvage title to **the following:**

2 (1) A vehicle that is subject to IC 9-17 upon the request of the
3 owner of the vehicle.

4 (2) **A vehicle that is subject to IC 9-17 and has been**
5 **designated "JUNK", "DISMANTLED", "SCRAP",**
6 **"DESTROYED", or any similar designation in another state**
7 **or jurisdiction and meets the conditions set forth under**
8 **section 18.7 of this chapter.**

9 (c) A person that knowingly or intentionally fails to apply for a
10 salvage title as required by subsection (a) commits a Class A infraction.

11 SECTION 2. IC 9-22-3-5, AS AMENDED BY P.L.27-2018,
12 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2019]: Sec. 5. **Except as provided under section 18.7(b) of**
14 **this chapter,** a certificate of salvage title issued under this chapter
15 must contain the following information:

16 (1) The same vehicle information as a certificate of title issued by
17 the bureau.

18 (2) The notation "SALVAGE TITLE" prominently recorded on
19 the title.

20 (3) If the motor vehicle is a flood damaged vehicle, the notation
21 "FLOOD DAMAGED" prominently recorded on the title.

22 SECTION 3. IC 9-22-3-15, AS AMENDED BY P.L.147-2018,
23 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2019]: Sec. 15. (a) If a salvage vehicle is rebuilt for operation
25 upon the highways and ownership is evidenced by a certificate of
26 salvage title, the person that owns the vehicle shall apply to the bureau
27 for a certificate of title with a rebuilt designation. The bureau shall
28 issue a certificate of title under IC 9-17 with a rebuilt designation,
29 subject to the following conditions:

30 (1) A state police officer inspects the vehicle and verifies proof of
31 ownership of major component parts used and the source of the
32 major component parts.

33 (2) The person that owns the vehicle submits, on a form
34 prescribed by the bureau, a properly executed affidavit from the
35 person that restored the motor vehicle. The affidavit must:

36 (A) include the name, identification number, and source of all
37 component parts that were included in the restoration of the
38 vehicle; and

39 (B) be attached to the certificate of salvage title.

40 (3) The person that owns the vehicle surrenders the certificate of
41 salvage title.

42 A condition under this subsection is in addition to any requirements



1 under IC 9-17.

2 (b) Except as provided in subsection (c), a certificate of title issued
3 under this section must conspicuously bear the designation:

4 **(1) for a vehicle that has not been titled under section 18.7 of**
5 **this chapter:**

6 ~~(1)~~ **(A) "REBUILT VEHICLE"** if the vehicle is not a flood
7 damaged vehicle; or

8 ~~(2)~~ **(B) "REBUILT FLOOD DAMAGED VEHICLE"** if the
9 vehicle is a flood damaged vehicle; or

10 **(2) for a vehicle that has been titled under section 18.7 of this**
11 **chapter:**

12 **(A) "JUNK - REBUILT VEHICLE" if the vehicle is not a**
13 **flood damaged vehicle; or**

14 **(B) "JUNK - REBUILT FLOOD DAMAGED VEHICLE"**
15 **if the vehicle is a flood damaged vehicle.**

16 (c) An insurance company authorized to do business in Indiana may
17 obtain a certificate of title that does not bear the rebuilt designation if
18 the company submits to the bureau, in the form and manner the bureau
19 requires, satisfactory evidence that the damage, if any, to a recovered
20 stolen vehicle did not meet the criteria set forth in section 3 of this
21 chapter.

22 (d) A person that knowingly or intentionally violates this section
23 commits a Class A infraction.

24 (e) A police officer having jurisdiction in Indiana who makes an
25 inspection under this section may charge a fee subject to the following
26 conditions:

27 (1) The fee must be established by an ordinance adopted by the
28 unit (as defined in IC 36-1-2-23) that employs the police officer.

29 (2) The fee may not exceed five dollars (\$5).

30 (3) Revenue generated by the fee shall be deposited in the
31 following manner:

32 (A) A special vehicle inspection fund if the police officer
33 making the inspection is a member of the county sheriff's
34 department.

35 (B) A local law enforcement continuing education fund
36 established by IC 5-2-8-2 if the police officer making the
37 inspection is:

38 (i) a member of a city or town police department;

39 (ii) a town marshal; or

40 (iii) a town marshal deputy.

41 SECTION 4. IC 9-22-3-18, AS AMENDED BY P.L.125-2012,
42 SECTION 138, IS AMENDED TO READ AS FOLLOWS



1 [EFFECTIVE JULY 1, 2019]: Sec. 18. **Except as provided in section**
 2 **18.7 of this chapter**, a vehicle that has been designated "JUNK",
 3 "DISMANTLED", "SCRAP", "DESTROYED", or any similar
 4 designation in another state or jurisdiction shall not be titled in Indiana.

5 SECTION 5. IC 9-22-3-18.7 IS ADDED TO THE INDIANA CODE
 6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 7 1, 2019]: Sec. 18.7. (a) **The bureau may issue a certificate of**
 8 **salvage title to a vehicle that has been designated "JUNK",**
 9 **"DISMANTLED", "SCRAP", "DESTROYED", or any similar**
 10 **designation in another state or jurisdiction, subject to the following**
 11 **conditions:**

12 (1) **The person that owns the vehicle surrenders the certificate**
 13 **of title from the other state or jurisdiction containing the**
 14 **designation "JUNK", "DISMANTLED", "SCRAP",**
 15 **"DESTROYED", or any similar designation or**
 16 **documentation showing proof of ownership.**

17 (2) **The person submits two (2) photographs of the vehicle**
 18 **showing the damage to the vehicle.**

19 (3) **The person submits two (2) estimates of damage showing**
 20 **that the cost of repairing the vehicle does not exceed seventy**
 21 **percent (70%) of the fair market value immediately before**
 22 **the vehicle was designated "JUNK", "DISMANTLED",**
 23 **"SCRAP", "DESTROYED", or any similar designation.**

24 (b) **A certificate of salvage title issued under this section must**
 25 **contain the following information:**

26 (1) **The same vehicle information as a certificate of title issued**
 27 **by the bureau.**

28 (2) **The notation "JUNK - SALVAGE TITLE" prominently**
 29 **recorded on the title.**

30 (3) **If the motor vehicle is a flood damaged vehicle, the**
 31 **notation "FLOOD DAMAGED" prominently recorded on the**
 32 **title.**

