

Regular Session, 2011
HOUSE BILL NO. 470

ACT No. 288

BY REPRESENTATIVE HENRY BURNS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1 AN ACT

2 To amend and reenact R.S. 32:429.2(B), 707(I)(1), 707.3(A,) and 713 and to enact R.S.
3 32:707.2(C)(4), 707.6, and 728(10) and (11), relative to motor vehicle titles; to
4 establish an expedited motor vehicle title receipt procedure; to provide for fees
5 charged for receipt of an expedited motor vehicle title; to provide relative to issuance
6 of a salvage title to an insurance company; to provide relative to issuance of a
7 certificate of destruction to an insurance company; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 32:429.2(B), 707(I)(1), 707.3(A), and 713 are hereby amended and
10 reenacted and R.S. 32:707.2(C)(4), 707.6, and 728(10) and (11) are hereby enacted to read
11 as follows:

12 §429.2. Office of Motor Vehicles Customer Service and Technology Fund; uses of
13 the monies

14 * * *

15 B. After compliance with the requirements of Article VII, Section 9(B) of
16 the Constitution of Louisiana relative to the Bond Security and Redemption Fund,
17 and after a sufficient amount is allocated from that fund to pay all of the obligations
18 secured by the full faith and credit of the state which become due and payable within
19 any fiscal year, the treasurer shall pay an amount equal to the monies received by the
20 state treasury pursuant to the provisions of R.S. 32:412.1(C), 707.2(C)(4), and
21 728(10) into the Office of Motor Vehicles Customer Service and Technology Fund.
22 The monies in this fund shall be used solely as provided in Subsection C of this
23 Section and only in the amounts appropriated by the legislature. All unexpended and
24 unencumbered monies in this fund at the end of the fiscal year shall remain in the

1 fund. The monies in the fund shall be invested by the state treasurer in the same
2 manner as monies in the state general fund and shall be deposited into the state
3 general fund.

4 * * *

5 §707. Application for certificates of title; exception; salvage title; antique vehicles;
6 reconstructed title

7 * * *

8 I.(1)(a) When, as the result of an insurance settlement, a motor vehicle is
9 declared to be a "total loss", as defined in R.S. 32:702, the insurance company, its
10 authorized agent, or the vehicle owner shall, within thirty days from the settlement
11 of the property damages claim, send the certificate of title, properly endorsed, to the
12 office of motor vehicles along with an application for a salvage title in the name of
13 the insurance company, or its authorized agent, or the vehicle owner.

14 (b) If an insurance company or its authorized agent is unable to obtain the
15 certificate of title from the owner(s) or lienholder within thirty days from the
16 settlement of the property damages claim, the insurance company or its authorized
17 agent may submit an application for a salvage title and signed under penalty of
18 perjury, which application shall be accompanied by all of the following:

19 (i) Evidence acceptable to the office of motor vehicles that the insurance
20 company has made at least two written attempts to the titled owner(s) or lienholder
21 of the motor vehicle by certified mail, return receipt requested, or by use of a
22 delivery service with a tracking system, to obtain the endorsed certificate of title.

23 (ii) Evidence acceptable to the office of motor vehicles that the insurance
24 company has made payment of a claim involving the motor vehicle.

25 (iii) The fee applicable to the issuance of a salvage title.

26 (iv) A release of lien executed by each current holder of a security interest
27 in the motor vehicle.

28 (c) Upon receipt of an application for a salvage title pursuant to
29 Subparagraph (I)(1)(a) or (b) of this Section, the office of motor vehicles shall issue
30 a salvage title for the vehicle.

1 (d) The office of motor vehicles may promulgate rules and regulations for
2 the administration of this Subsection pursuant to the Administrative Procedure Act.

3 ~~(b)~~ (e) The insurance company or agent shall notify the office of motor
4 vehicles within thirty days of settlement of the property damage claim and the owner
5 retained salvage value, when the owner of the vehicle is allowed to retain the salvage
6 after the vehicle has been declared a total loss.

7 ~~(c)~~ (f) Upon receipt of the salvage title, the insurance company, its
8 authorized agent, or the vehicle owner may proceed to dismantle the vehicle, sell it,
9 or rebuild and restore it to operation. A rebuilder of a salvaged title motor vehicle
10 may upon completion of rebuilding the vehicle demonstrate the rebuilt motor vehicle
11 to a prospective purchaser without applying for a reconstructed vehicle title. Except
12 for the purposes of this demonstration, no rebuilt and restored vehicle shall be
13 operated upon any public street, roadway, or highway until it is registered with the
14 office of motor vehicles, and a reconstructed vehicle title is issued.

15 * * *

16 §707.2. Electronic media system for lien recordation and title information; fees;
17 required bond; confidentiality of information; rules and regulations

18 * * *

19 C.

20 * * *

21 (4) Any request to convert an existing paper title to an electronic title shall
22 be forwarded to the department by the federally insured depository institution,
23 finance company, lending institution, or other lender through its interface with its
24 designated public tag agent. Upon receipt of such a request, the department shall
25 convert the paper to an electronic title at a charge to the lender not to exceed one
26 dollar and fifty cents per title. This charge shall be forwarded to the state treasurer
27 for deposit into the Office of Motor Vehicles Customer Service and Technology
28 Fund. The public tag agent fee shall not exceed three dollars per title conversion
29 request. The provisions of R.S. 32:412.1 and 728 shall not apply to this Paragraph.

30 * * *

1 §707.3. Certificates of destruction; application requirements; restrictions on sale;
 2 disassembly requirement; department rules; penalties

3 A. When, as a result of an insurance settlement, a motor vehicle is
 4 determined to be water damaged, as defined in this Chapter, the insurance company
 5 that acquires ownership of the vehicle shall, within thirty days from the settlement
 6 of the property damages claim, send the certificate of title to the office of motor
 7 vehicles along with an application for a certificate of destruction. This period may
 8 be extended by rule or regulation promulgated by the Department of Public Safety
 9 and Corrections pursuant to the Administrative Procedure Act. If the insurance
 10 company or its authorized agent is unable to obtain the certificate of title from the
 11 owner(s) or lienholder within thirty days from the settlement of such property
 12 damage claim, the insurance company or its authorized agent may submit an
 13 application for a certificate of destruction for such water damaged vehicle signed
 14 under penalty of perjury. Such application shall be accompanied by evidence
 15 acceptable to the office of motor vehicles that the insurance company has made at
 16 least two written attempts to the titled owner(s) or lienholder of the motor vehicle by
 17 certified mail, return receipt requested, or by use of a delivery service with a tracking
 18 system, to obtain the endorsed certificate of title; evidence that the insurance
 19 company has made payment of a property damage claim involving such motor
 20 vehicle; and a release of lien executed by each current holder of a security interest
 21 in the motor vehicle.

22 * * *

23 §707.6. Expedited title procedure; rules and regulations

24 A. The Department of Public Safety and Corrections, office of motor
 25 vehicles, shall establish an expedited processing procedure for the receipt of
 26 applications and the issuance of certificates of titles for motor vehicles. Any
 27 designated agent, lienholder, or owner requesting the issuance of such document, at
 28 his option, shall receive such expedited processing upon payment of the fee
 29 authorized by R.S. 32:728(10).

1 commissioner for cancellation or a statement of destruction from the perfected
2 lienholder stating the original title has been destroyed.

3 * * *

4 §728. Fees

5 The commissioner shall charge the following fees and no others:

6 * * *

7 (10) Each certificate of title issued pursuant to a procedure established by
8 R.S. 32:707.6 – ten dollars in addition to the eighteen dollars and fifty cents charged
9 for each certificate of title as authorized pursuant to Paragraph (1) of this Section.
10 The additional ten dollars shall be forwarded to the state treasurer for deposit into the
11 Office of Motor Vehicles Customer Service and Technology Fund.

12 (11) The fees authorized by R.S. 32:707.2(C)(4).

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____