

HOUSE BILL No. 1124

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.

Ellington

January 7, 2019, read first time and referred to Committee on Roads 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.

HOUSE BILL No. 1124

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.



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

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

(2) **A vehicle that is subject to IC 9-17 and has been designated "JUNK", "DISMANTLED", "SCRAP", "DESTROYED", or any similar designation in another state or jurisdiction and qualifies under section 18.2 of this chapter.**

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

SECTION 2. IC 9-22-3-15, AS AMENDED BY P.L.147-2018, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 15. (a) If a salvage vehicle is rebuilt for operation upon the highways and ownership is evidenced by a certificate of salvage title, the person that owns the vehicle shall apply to the bureau for a certificate of title with a rebuilt designation. The bureau shall issue a certificate of title under IC 9-17 with a rebuilt designation, subject to the following conditions:

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

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

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

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

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

A condition under this subsection is in addition to any requirements under IC 9-17.

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

(1) for a vehicle that has not been titled under section 18.2 of this chapter:

(+) (A) "REBUILT VEHICLE" if the vehicle is not a flood damaged vehicle; or

(-) (B) "REBUILT FLOOD DAMAGED VEHICLE" if the vehicle is a flood damaged vehicle; or

(2) for a vehicle that has been titled under section 18.2 of this chapter:

(A) "JUNK - REBUILT VEHICLE" if the vehicle is not a



1 **flood damaged vehicle; or**

2 **(B) "JUNK - REBUILT FLOOD DAMAGED VEHICLE"**

3 **if the vehicle is a flood damaged vehicle.**

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

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

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

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

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

18 (3) Revenue generated by the fee shall be deposited in the
19 following manner:

20 (A) A special vehicle inspection fund if the police officer
21 making the inspection is a member of the county sheriff's
22 department.

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

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

27 (ii) a town marshal; or

28 (iii) a town marshal deputy.

29 SECTION 3. IC 9-22-3-18, AS AMENDED BY P.L.125-2012,
30 SECTION 138, IS AMENDED TO READ AS FOLLOWS
31 [EFFECTIVE JULY 1, 2019]: Sec. 18. **Except as provided in section**
32 **18.2 of this chapter**, a vehicle that has been designated "JUNK",
33 "DISMANTLED", "SCRAP", "DESTROYED", or any similar
34 designation in another state or jurisdiction shall not be titled in Indiana.

35 SECTION 4. IC 9-22-3-18.2 IS ADDED TO THE INDIANA CODE
36 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
37 1, 2019]: Sec. 18.2. (a) **The bureau may issue a salvage title to a**
38 **vehicle that has been designated "JUNK", "DISMANTLED",**
39 **"SCRAP", "DESTROYED", or any similar designation in another**
40 **state or jurisdiction subject to the following conditions:**

41 (1) **The individual who owns the vehicle surrenders the**
42 **certificate of title from the other state or jurisdiction that has**



1 been designated "JUNK", "DISMANTLED", "SCRAP",
2 "DESTROYED", or any similar designation or
3 documentation showing proof of ownership under
4 IC 9-17-2-4(b)(2).

5 (2) The person submits two (2) photographs of the vehicle
6 showing the damage to the vehicle.

7 (3) The person submits two (2) estimates of damage showing
8 that the cost of repairing the vehicle does not exceed
9 seventy-five percent (75%) of the fair market value
10 immediately before the vehicle was designated "JUNK",
11 "DISMANTLED", "SCRAP", "DESTROYED", or any
12 similar designation.

13 (b) A certificate of title issued under this section must
14 conspicuously bear the designation "JUNK - SALVAGE TITLE".

15 (c) If the vehicle is a flood damaged vehicle, the notation
16 "FLOOD DAMAGED" must be prominently recorded on the title.

