

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 699

Short Title: Salvage Title Amendments.

(Public)

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Sponsors: Representative Church.

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Referred to: Judiciary.

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March 20, 1989

A BILL TO BE ENTITLED

AN ACT TO AMEND THE MOTOR VEHICLE SALVAGE TITLE LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-4.01(33)(d) reads as rewritten:

"(d) Salvage Motor Vehicle.-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%)~~ sixty percent (60%) of its fair retail market value, or a motor vehicle that has been declared a total loss by an insurer. Fair market retail values shall be as found in the NADA Pricing Guide Book or other publications approved by the Commissioner."

Sec. 2. Section 4 of Chapter 1105 of the 1987 Session Laws reads as rewritten:

"Sec. 4. Sections 1 and 2 of this act are effective upon ratification ~~and shall expire June 30, 1989, at which time those laws shall read as they did on January 1, 1988.~~ Section 3 of this act shall become effective October 1, 1988, and applies to offenses committed on or after that date."

Sec. 3. Section 2 of Chapter 1105 of the 1987 Session Laws reads as rewritten:

"Sec. 2. G.S. 20-71.3 is amended by deleting the third sentence and substituting the following:

'Any motor vehicle damaged by collision or other occurrence which is to be retitled in this State shall be subject to preliminary and final inspections by the Enforcement Section of the Division, and the Division shall refuse to issue a title to a vehicle which has not undergone a preliminary inspection. Any motor vehicle which has been branded

1 in another state shall be branded with the nearest applicable brand specified in this  
2 section, except that no junk vehicle or vehicle that has been branded junk in another  
3 state shall be titled or registered. A motor vehicle damaged by collision or other  
4 occurrence may be repaired and an unbranded title issued if the cost of repairs,  
5 including parts and labor, does not exceed ~~seventy-five percent (75%)~~ sixty percent (60%)  
6 of its fair market retail value."

7 Sec. 4. G.S. 20-109.1(a) reads as rewritten:

8 "(a) A vehicle shall be deemed to be a salvage vehicle:

- 9 (1) When an insurance company as a result of having paid a ~~total-loss~~  
10 claim ~~acquires title to a vehicle, and obtains possession or control of a~~  
11 ~~vehicle, for any cause other than theft; or on a vehicle damaged by~~  
12 collision or other occurrence to the extent that the claim paid exceeds  
13 sixty percent (60%) of the fair market retail value as found in the  
14 NADA Pricing Guide Book or other publications approved by the  
15 Commissioner, or
- 16 (2) When an insurance company has acquired title to ~~and obtains possession~~  
17 ~~of a vehicle in settlement of a theft loss claim, and upon recovery of~~  
18 the vehicle it is determined that the vehicle has been damaged to the  
19 extent that it would be considered a ~~total-loss salvage vehicle~~ under the  
20 provisions of ~~comprehensive and collision insurance.~~ G.S. 20-4.01(33)(d).

21 If the salvage vehicle was registered in North Carolina, or if the loss or damages  
22 occurred in North Carolina, or if the sale of the salvage vehicle takes place in North  
23 Carolina then the insurance company or their authorized agent shall within 10 days after  
24 payment of a ~~total-loss~~ claim forward to the Division of Motor Vehicles the certificate of  
25 title or the comparable ownership document issued by the jurisdiction wherein the  
26 vehicle was last registered. The certificate of title or comparable ownership document  
27 shall be properly assigned to the insurance company by the vehicle owner. Subsequent  
28 transfers of ownership shall be on forms provided by the Division; and such forms shall  
29 be mailed by the Division to the insurance company at the address furnished in the  
30 assignment of title from the registered owner, unless otherwise requested in writing by  
31 the insurance company or their authorized agent. The insurance company shall make an  
32 assignment of ownership on the form and deliver it to the purchaser upon sale of the  
33 salvage vehicle. The forms shall be considered as proof of ownership for the purpose of  
34 G.S. 20-61. In the event the salvage vehicle is rebuilt, an application for reissuance of  
35 the title shall be made on a form prescribed by the Division, and the application shall be  
36 accompanied by such supporting information as the Division may require."

37 Sec. 5. This act is effective upon ratification.