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**HOUSE BILL NO. 641****AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the House Committee on Transportation  
on February 8, 2000)

(Patron Prior to Substitute—Delegate Rollison)

*A BILL to amend and reenact §§ 46.2-1600 and 46.2-1608 of the Code of Virginia, relating to records maintained by salvage dealers.***Be it enacted by the General Assembly of Virginia:****1. That §§ 46.2-1600 and 46.2-1608 of the Code of Virginia are amended and reenacted as follows:****§ 46.2-1600. Definitions.**

The following words, terms, and phrases when used in this chapter shall have the meaning ascribed to them in this section, except where the context indicates otherwise:

"Actual cash value," as applied to a vehicle, means the retail cash value of the vehicle prior to damage as determined, using recognized evaluation sources, either (i) by an insurance company responsible for paying a claim or (ii) if no insurance company is responsible therefor, by the Department.

"Current salvage value," as applied to a vehicle, means (i) the salvage value of the vehicle, as determined by the insurer responsible for paying the claim, or (ii) if no insurance company is responsible therefor, twenty-five percent of the actual cash value.

"Demolisher" means any person whose business is to crush, flatten, or otherwise reduce a vehicle to a state where it can no longer be considered a vehicle.

"Diminished value compensation" means the amount of compensation that an insurance company pays to a third party vehicle owner, in addition to the cost of repairs, for the reduced value of a vehicle due to damage.

"Independent appraisal firm" means any business providing cost estimates for the repair of damaged motor vehicles for insurance purposes and having all required business licenses and zoning approvals. This term shall not include insurance companies that provide the same service, nor shall any such entity be a rebuilder or affiliated with a rebuilder.

"Late model vehicle" means the current-year model of a vehicle and the five preceding model years, or any vehicle whose actual cash value is determined to have been at least \$5,000 prior to being damaged.

"Licensee" means any person who is licensed or is required to be licensed under this chapter.

"Major component" means any one of the following subassemblies of a motor vehicle: (i) front clip assembly, consisting of the fenders, grille, hood, bumper, and related parts; (ii) engine; (iii) transmission; (iv) rear clip assembly, consisting of the quarter panels, floor panels, trunk lid, bumper, and related parts; (v) frame; (vi) air bags; and (vii) any door that displays a vehicle identification number.

"Nonrepairable certificate" means a document of ownership issued by the Department for any nonrepairable vehicle upon surrender or cancellation of the vehicle's title and registration or salvage certificate.

"Nonrepairable vehicle" means (i) any late model vehicle that has been damaged and whose estimated cost of repair exceeds ninety percent of its actual cash value prior to damage or (ii) any vehicle which has been determined to be nonrepairable by its insurer or owner, and for which a nonrepairable certificate has been issued or applied for, or (iii) any other vehicle which has been damaged, is inoperable, and has no value except for use as parts and scrap metal.

"Rebuilder" means any person who acquires and repairs, for use on the public highways, two or more salvage vehicles within a twelve-month period.

"Rebuilt vehicle" means (i) any salvage vehicle that has been damaged as a result of collision, fire, flood, accident, trespass, or any other occurrence and has been repaired and the estimated cost of repair exceeded seventy-five percent of its actual cash value, for use on the public highways or (ii) any late model vehicle which has been repaired and the estimated cost of repair exceeded seventy-five percent of its actual cash value, excluding the cost to repair damage to the engine, transmission, or drive axle assembly.

"Salvage certificate" means a document of ownership issued by the Department for any salvage vehicle upon surrender or cancellation of the vehicle's title and registration.

"Salvage dealer" means any person who acquires any vehicle for the purpose of reselling any parts thereof.

"Salvage pool" means any person providing a storage service for salvage vehicles or nonrepairable vehicles who either displays the vehicles for resale or solicits bids for the sale of salvage vehicles or

60 nonrepairable vehicles, but this definition shall not apply to an insurance company which stores and  
61 displays fewer than 100 salvage vehicles and nonrepairable vehicles in one location; however, any two  
62 or more insurance companies who display salvage and nonrepairable vehicles for resale, using the same  
63 facilities, shall be considered a salvage pool.

64 "Salvage vehicle" means (i) any late model vehicle which has been (a) acquired by an insurance  
65 company as a part of the claims process or (b) damaged as a result of collision, fire, flood, accident,  
66 trespass, or any other occurrence to such an extent that its estimated cost of repair, excluding charges  
67 for towing, storage, and temporary replacement/rental vehicle or payment for diminished value  
68 compensation, would exceed its actual cash value less its current salvage value; (ii) any stolen vehicle  
69 an insurance company has acquired as a part of the claims process; or (iii) any other vehicle which is  
70 determined to be a salvage vehicle by its owner or an insurance company by applying for a salvage  
71 certificate for the vehicle, provided that such vehicle is not a nonrepairable vehicle.

72 "Scrap metal processor" means any person who is engaged in the business of processing vehicles into  
73 scrap for remelting purposes who, from a fixed location, utilizes machinery and equipment for  
74 processing and manufacturing ferrous and nonferrous metallic scrap into prepared grades, and whose  
75 principal product is metallic scrap.

76 "Vehicle removal operator" means any person who acquires a vehicle for the purpose of reselling it  
77 to a demolisher, scrap metal processor, or salvage dealer.

78 § 46.2-1608. Maintenance and contents of records.

79 Each licensee shall maintain a record of the receipt of any vehicle. The record shall contain the date  
80 of receipt of the vehicle, its make, year, model, identification number, name and address of the person  
81 from whom it was acquired, the vehicle's title number, and state of issuance. If ~~any part of the vehicle~~  
82 *any major component, as defined in § 46.2-1600*, is sold, the salvage dealer shall provide, upon request  
83 of any law-enforcement official, the information required by this section as to the vehicle from which  
84 the part was taken.