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## HOUSE BILL NO. 2160

House Amendments in [ ] — February 6, 1995

*A BILL to amend and reenact §§ 46.2-1603.1 and 46.2-1603.2 of the Code of Virginia, relating to salvage vehicles and nonrepairable vehicles.*

Patrons—Dickinson, Abbitt, Crittenden, Darner, Guest, Moore and Stump

Referred to Committee on Roads and Internal Navigation

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 46.2-1603.1 and 46.2-1603.2 of the Code of Virginia are amended and reenacted as follows:**

§ 46.2-1603.1. Duties of licensees.

A. If a salvage vehicle is purchased by a salvage dealer and the vehicle is sold as a unit to anyone other than a demolisher, rebuilder, vehicle removal operator or scrap metal processor, the purchaser shall obtain from the Department a salvage certificate. If the sale is to a demolisher or vehicle removal operator, the salvage vehicle shall be assigned in the space provided for such assignments on the existing salvage certificate. If a vehicle is purchased by a salvage dealer and disassembled for parts only or demolished by a demolisher, the salvage dealer shall immediately and conspicuously indicate on the salvage certificate or title that the vehicle was disassembled for parts only or demolished and immediately forward the salvage certificate or title to the Department for cancellation. The Department shall cancel the title or salvage certificate and issue a nonrepairable certificate for the vehicle to the salvage dealer.

[ 1. ] *If a vehicle for which a title or salvage certificate or other ownership document has been issued by a foreign jurisdiction and is purchased by a salvage dealer or demolisher and disassembled for parts only or demolished by a demolisher, the salvage dealer or demolisher shall immediately and conspicuously indicate on the salvage certificate, title, or other ownership document that the vehicle was disassembled for parts only or demolished and immediately forward the salvage certificate, title or other ownership document to the Department for cancellation. The Department shall cancel the title, salvage certificate, or other ownership document and issue a nonrepairable certificate for the vehicle to the salvage dealer.*

[ 2. ] There shall be no fee for the issuance of a nonrepairable certificate.

B. If a licensee acquires any late model vehicle, he shall immediately compare the vehicle identification number assigned by the manufacturer or the Department or the identification number issued or assigned by another state with the title or salvage certificate of the vehicle and shall notify the Department as provided in subsection C of this section. Such comparison and notification shall not be required of a demolisher if the vehicle was acquired from a licensed salvage dealer, rebuilder, salvage pool, or vehicle removal operator and such licensee delivers to the demolisher a title or salvage certificate for the vehicle.

C. If the vehicle identification number has been altered, is missing, or appears to have been otherwise tampered with, the licensee shall take no further action with regard to the vehicle except to safeguard it in its then-existing condition and shall promptly notify the Department. The Department shall, after an investigation has been made, notify the licensee whether the vehicle can be freed from this limitation. In no event shall the vehicle be disassembled, demolished, processed, or otherwise modified or removed prior to authorization by the Department. If the vehicle is a motorcycle, the licensee shall cause to be noted on the title or salvage certificate, certifying on the face of the document, in addition to the above requirements, the frame number of the motorcycle and motor number, if available.

D. After a vehicle has been demolished, the demolisher shall, within five working days, deliver to the Department the salvage certificate or title, certifying on the face of the document that the vehicle has been destroyed.

§ 46.2-1603.2. Owner may declare vehicle nonrepairable; insurance company required to obtain a nonrepairable certificate; applicability of certain other laws to nonrepairable certificates; titling and registration of nonrepairable vehicle prohibited.

A. The owner of any vehicle titled in the Commonwealth may declare such vehicle to be a nonrepairable vehicle by applying to the Department for a nonrepairable certificate.

B. Every insurance company or its authorized agent shall apply to the Department and obtain a nonrepairable certificate for each vehicle acquired by the insurance company as a result of the claims process if such vehicle is titled in the Commonwealth and is (i) a late model nonrepairable vehicle or

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60 (ii) a stolen vehicle that has been recovered and determined to be a nonrepairable vehicle. The  
61 application shall be accompanied by the vehicle's title certificate or salvage certificate and shall contain  
62 a description of the damage to the nonrepairable vehicle. Application for the nonrepairable certificate  
63 shall be made within fifteen days after payment has been made to the owner, lienholder, or both.

64 C. Every insurance company or its authorized agent shall notify the Department of each late model  
65 vehicle titled in the Commonwealth upon which a claim has been paid if such vehicle is a nonrepairable  
66 vehicle that is retained by its owner.

67 D. The Department, upon receipt of an application for a nonrepairable certificate for a vehicle titled  
68 in the Commonwealth, or upon receipt of notification from an insurance company or its authorized agent  
69 as provided in subsection C of this section that a vehicle registered in the Commonwealth has become a  
70 nonrepairable vehicle, shall cause the title of such vehicle to be cancelled and a nonrepairable certificate  
71 issued to the vehicle's owner.

72 There shall be no fee for the issuance of a nonrepairable certificate. All provisions of this Code  
73 applicable to a motor vehicle certificate of title shall apply, mutatis mutandis, to a nonrepairable  
74 certificate, except that no registration or license plates shall be issued for the vehicle described in a  
75 nonrepairable certificate. No vehicle for which a nonrepairable certificate has been issued shall ever be  
76 titled or registered for use on the highways in the Commonwealth.

77 E. *The Department, upon receipt of a title, salvage certificate, or other ownership document from a*  
78 *licensed salvage dealer or demolisher [ for a vehicle for which a title, salvage certificate, or other*  
79 *ownership document has been issued by a foreign jurisdiction pursuant to § 46.2-1603.1 A 1, ] shall*  
80 *cause the title, salvage certificate, or other ownership document to such vehicle to be cancelled and a*  
81 *nonrepairable certificate issued to the vehicle's owner.*