

Department of Planning and Budget

2020 Fiscal Impact Statement

1. Bill Number: SB562

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Ruff

3. Committee: Transportation

4. Title: Rebuilt vehicles; issuance of title

5. Summary: This bill allows a title to be issued for a rebuilt vehicle without an inspection by the Department of Motor Vehicles if (i) the rebuilder has been licensed as an auto recycler, salvage pool, or vehicle removal operator in good standing for at least 10 years, (ii) the rebuilt vehicle is at least 10 years old but is not an antique motor vehicle, and (iii) the resale value of the rebuilt vehicle is less than \$10,000.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item #8.

8. Fiscal Implications: The Department of Motor Vehicles' (DMV) salvage examination is an antitheft and antifraud examination designed to deter the use of stolen parts or stolen vehicle identification numbers when a damaged vehicle which has been declared a salvage vehicle is rebuilt and retitled for sale. Not all damaged vehicles receive a salvage certificate. A vehicle that is at least 10 years old and is worth less than \$10,000 before being damaged may not have been issued a salvage certificate, and if no salvage certificate was issued, no salvage examination is required even if the vehicle is rebuilt.

A fiscal impact is not anticipated from this legislation. Passage of the bill will require DMV to institute some procedural changes in its retitling process to determine when a rebuilt salvage vehicle may be exempt from the salvage examination including whether a vehicle meets the definition of antique. DMV's current licensing process and records will enable DMV to establish that the rebuilder has an active license in good standing and how long the rebuilder has been licensed.

9. Specific Agency or Political Subdivisions Affected: Department of Motor Vehicles.

10. Technical Amendment Necessary: No.

11. Other Comments: None.