

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**HOUSE BILL**

**No. 2062** Session of  
1993

INTRODUCED BY DRUCE, DALEY, NYCE, LAUB, CESSAR, MARKOSEK,  
TRELLO, DEMPSEY AND MELIO, OCTOBER 4, 1993

REFERRED TO COMMITTEE ON TRANSPORTATION, OCTOBER 4, 1993

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated  
2 Statutes, requiring a physical inspection of all vehicles  
3 applying for a reconstructed Pennsylvania title, including  
4 out-of-State vehicles; and requiring self-insurers to apply  
5 for a salvage certificate.

6 The General Assembly of the Commonwealth of Pennsylvania  
7 hereby enacts as follows:

8 Section 1. Section 1117 of Title 75 of the Pennsylvania  
9 Consolidated Statutes, amended December 18, 1992 (P.L.1411,  
10 No.174) and May 20, 1993 (P.L. , No.10), is amended to read:

11 § 1117. Vehicle destroyed, dismantled, salvaged or recycled.

12 (a) Application for certificate of salvage.--Any owner who  
13 transfers a vehicle to be destroyed or dismantled, salvaged or  
14 recycled shall assign the certificate of title to the person to  
15 whom the vehicle is transferred. Except as provided in  
16 subsection (e), the transferee shall immediately present the  
17 assigned certificate of title to the department or an authorized  
18 agent of the department with an application for a certificate of  
19 salvage upon a form furnished and prescribed by the department.

1 An insurer, as defined in section 1702 (relating to  
2 definitions), to which title to a vehicle is assigned upon  
3 payment to the insured of the replacement value of a vehicle,  
4 shall be regarded as a transferee under this subsection. If an  
5 owner retains possession of a vehicle which is damaged to the  
6 extent that it qualifies for vehicle replacement payment, the  
7 owner shall apply for a certificate of salvage immediately. In  
8 this case, an insurer shall not pay vehicle replacement value  
9 until the owner produces evidence to the insurer that the  
10 certificate of salvage has been issued. All self-insurers, as  
11 defined in section 1702, which have a vehicle registered in this  
12 Commonwealth and the registered vehicle is subsequently wrecked  
13 to the point that it would cost 50% or more of the actual cash  
14 retail value, according to a physical damage appraisal report  
15 from the self-insurer or an independent licensed physical damage  
16 appraiser, shall apply for a certificate of salvage for the  
17 vehicle. The vehicle value is determined by averaging the retail  
18 values listed in the Official Used Car Guide for Domestic and  
19 Imported Cars published by the National Automobile Dealers  
20 Association and the Automobile Red Book Official Used Car  
21 Validations published by Maclean Hunter Market Reports, Inc.

22 (b) Issuance and effect of certificate of salvage.--Upon  
23 proper application for a certificate of salvage, the department,  
24 or such agents as the department may designate, shall issue to  
25 the transferee a certificate of salvage which shall authorize  
26 the holder to possess, transport or, by endorsement, transfer  
27 ownership in the salvaged vehicle, and a certificate of title  
28 shall not again be issued for the vehicle except upon  
29 application containing the information the department requires,  
30 accompanied by any necessary documents or articles.

1 (c) Vehicles with defective or lost title.--Any person on  
2 whose property is located a vehicle which is valueless except  
3 for salvage and which has a faulty, lost or destroyed title may  
4 transfer the vehicle to a salvor or to a salvage program  
5 operated by a political subdivision for removal to a suitable  
6 place of storage or for scrapping, provided the salvor or  
7 salvage program complies with the requirements of section 7309  
8 (relating to salvaging of vehicles valueless except for  
9 salvage), except that the report to the department that the  
10 vehicle is valueless except for salvage shall be verified by the  
11 transferor of the vehicle instead of the police department. The  
12 transferee shall return the assigned certificate of title to the  
13 department immediately with an application for certificate of  
14 salvage upon a form furnished and prescribed by the department.

15 (d) Reconstructed and recovered theft vehicles.--

16 (1) (i) If a vehicle, other than an antique or classic  
17 vehicle, for which a certificate of salvage has been  
18 issued is thereafter restored to operating condition, it  
19 shall be regarded as a reconstructed vehicle. Before any  
20 vehicle is issued a Pennsylvania title with a  
21 reconstructed brand on it, it shall be inspected by the  
22 Pennsylvania State Police or an authorized agent of the  
23 Pennsylvania State Police at a reconstructed vehicle  
24 inspection site. The reconstructed vehicle inspection  
25 sites shall be directed by the Pennsylvania State Police  
26 or authorized agents designated by the Pennsylvania State  
27 Police. The Pennsylvania State Police and the department  
28 shall coordinate mutually agreeable locations for the  
29 reconstructed vehicle inspection sites. The inspection  
30 shall verify:

1           (A) Vehicle identification numbers of those  
2           listed on the application and the salvage title to  
3           the vehicle identification numbers listed on the  
4           reconstructed vehicle body.

5           (B) That no stolen parts were used to  
6           reconstruct the vehicle.

7           (C) If the vehicle is rebuilt to a standard that  
8           it would not impose any harm to other vehicles,  
9           drivers or pedestrians on a highway or impose harm to  
10          the driver of the vehicle by conducting a road test  
11          to be defined by the Pennsylvania State Police.

12          (ii) A \$150 fee shall be established for each  
13          inspection required under subparagraph (i). The fee shall  
14          be deposited in a nonlapsing fund which is dedicated to  
15          the administration of this section. The fee shall be paid  
16          to the Pennsylvania State Police accompanied by a form  
17          prescribed by the department requesting an appointment to  
18          have the vehicle inspected at one of the designated  
19          reconstructed vehicle inspection sites. Payment of the  
20          inspection fee is the responsibility of the applicant for  
21          the reconstructed vehicle title.

22          (iii) Upon paying the fee and securing an  
23          appointment, the applicant shall have the reconstructed  
24          vehicle towed to the reconstructed vehicle inspection  
25          site at the appropriate day and time. All financial  
26          obligations for towing the vehicle are the responsibility  
27          of the applicant. The title for a reconstructed vehicle  
28          may be issued to an applicant only if:

29                (A) The applicant presents a certificate of  
30                salvage, together with the reconstructed vehicle, at

1           a reconstructed vehicle inspection site.

2           (B) The applicant presents photographs of the  
3           vehicle before and after the repair and restoration  
4           and all the bills of sale and other receipts for the  
5           parts purchased which were used in restoration or  
6           repair of the vehicle. When parts are used from  
7           another vehicle or vehicles, the vehicle  
8           identification number of any vehicle from which  
9           essential parts were used in the construction,  
10           reconstruction or repair of the vehicle shall be  
11           submitted.

12           (C) The applicant complies with any other  
13           requirement the department or the Pennsylvania State  
14           Police deems appropriate relating to the inspection  
15           of the reconstructed vehicle.

16           (iv) Liability shall not be imposed upon the  
17           department, the Pennsylvania State Police or the  
18           Commonwealth or its agents or employees which may result  
19           from, or be connected with, any act or omission relative  
20           to the inspection.

21           (2) If a certificate of salvage has been issued for a  
22           vehicle, other than an antique or classic vehicle, which was  
23           reported as stolen and then recovered and restored to  
24           operating condition, the vehicle shall be regarded as a  
25           recovered theft vehicle, but only if the retail value of any  
26           repairs does not exceed 50% of the actual cash value of the  
27           vehicle as determined by averaging the average retail values  
28           listed in the Official Used Car Guide for Domestic and  
29           Imported Cars published by the National Automobile Dealers  
30           Association and the Automobile Red Book Official Used Car

1 Validations published by Maclean Hunter Market Reports,  
2 Inc.[, as certified by the insurer or licensed physical  
3 damage appraiser on a form prescribed by the department;  
4 otherwise, the vehicle shall be regarded as a reconstructed  
5 vehicle.]; otherwise, the vehicle shall be regarded as a  
6 reconstructed vehicle. The retail value of any repairs is  
7 determined by submitting an insurance company appraisal  
8 report that legibly itemizes the damages or necessary repairs  
9 required which is certified by an insurer or a licensed  
10 physical damage appraiser.

11 (e) Transfer to scrap metal processor.--

12 (1) When a vehicle has been flattened, crushed or  
13 processed to the extent that it is no longer identifiable as  
14 a vehicle, its certificate of title or salvage shall be  
15 attached to a form provided by the department and immediately  
16 sent to the department. The form shall include such  
17 information as the owner's name, date processed, vehicle  
18 make, model, year and VIN number. A copy of the form shall be  
19 retained for record in accordance with section 6308(d)  
20 (relating to investigation by police officers). The vehicle  
21 scrap material shall no longer be considered a vehicle and  
22 shall be removed from department records and shall not be  
23 retitled or reconstructed.

24 (2) Any owner who transfers a vehicle to a scrap metal  
25 processor shall assign the certificate of title or salvage to  
26 the processor. The processor shall attach the certificate to  
27 the proper department form, immediately send it to the  
28 department and retain a copy in accordance with the  
29 provisions of paragraph (1).

30 [(f) Penalty.--Any person violating the provisions of

1 subsections (a) or (e) is guilty of a summary offense and shall,  
2 upon conviction, be sentenced to pay a fine of \$200 for each  
3 violation.]

4 (f) Penalties.--

5 (1) A person who violates subsection (e) commits a  
6 summary offense and shall, upon conviction, be sentenced to  
7 pay a fine of \$200 for each violation.

8 (2) A person who violates subsection (a) commits a  
9 summary offense and shall, upon conviction, be sentenced to  
10 pay a fine of \$500 for each violation.

11 (3) An applicant for a Pennsylvania reconstructed  
12 vehicle title who is found to have fraudulently completed an  
13 application form for which a title is issued commits a  
14 summary offense and shall, upon conviction, be sentenced to  
15 pay a fine of \$500 for each violation.

16 Section 2. This act shall take effect in 90 days.