



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

HOUSE BILL NO. 1240

PRINTERS NO. 3329

PRIME SPONSOR: Marshall

### COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
Motor License Fund	\$0	\$0

**SUMMARY:** Amends Title 75 (Vehicle Code) to decrease the criteria for when an owner has to get a recovered-theft vehicle title; only requiring it if the cost of repairs for a recovered theft vehicle exceeds half of the replacement value and a majority of the costs are due to damage that affects the safe operation of the vehicle. This legislation would take effect in 180 days.

**ANALYSIS:** This legislation amends section 1106 (related to content and effect of certificate of title) of Title 75 (Vehicles) to clarify that an assigned certificate of title must contain notice of the use or condition of the vehicle if it is a recovered theft vehicle.

The legislation amends Section 1164 of the Vehicle Code to state that a recovered-theft vehicle title is only required if the cost of repairs exceeds half of the replacement value of the vehicle, and the majority of those costs are due to damage that affects the safe operation of the vehicle. If the insurer is a self-insurer, the assessment of damage must be completed by a licensed physical damage appraiser who is not affiliated with or employed by the insurer.

If an owner has received a certificate of salvage branded as a theft vehicle after receiving payment, and the stolen vehicle is later located and passes an inspection showing damage that does not exceed half the replacement value, the owner may apply to PennDOT for an unbranded title. An individual who has not been paid the replacement value for the vehicle and has not received a certificate of salvage may use the existing certificate of title without applying for a new title.

**FISCAL IMPACT:** This legislation would have no adverse fiscal impact on Commonwealth funds.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** April 13, 2018

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*