## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 2064 Session of 2021

INTRODUCED BY SCHLEGEL CULVER, TOOHIL, JAMES, HERSHEY AND WHEELAND, NOVEMBER 9, 2021

REFERRED TO COMMITTEE ON TRANSPORTATION, NOVEMBER 9, 2021

## AN ACT

Amending Title 75 (Vehicles) of the Pennsylvania Consolidated Statutes, in general provisions, further providing for definitions; in certificate of title and security interests, 2 3 further providing for certificate of salvage required, for transfer to vehicle salvage dealer, for transfer to scrap 5 metal processor and for penalty; and, in enforcement, further 6 providing for impoundment for nonpayment of fines and 7 vehicles or combinations with a gross vehicle weight rating 8 of 17,001 pounds or more and for impoundment for nonpayment 9 10 of fines and vehicles or combinations with a gross vehicle weight rating of 17,000 pounds or less and providing for 11 lienholder or lessor notice of impoundment and recovery of 12 liened or leased vehicle. 13 14 The General Assembly of the Commonwealth of Pennsylvania 15 hereby enacts as follows: 16 Section 1. Section 102 of Title 75 of the Pennsylvania Consolidated Statutes is amended by adding definitions to read: 17 § 102. Definitions. 18 19 Subject to additional definitions contained in subsequent 20 provisions of this title which are applicable to specific 21 provisions of this title, the following words and phrases when used in this title shall have, unless the context clearly 22

indicates otherwise, the meanings given to them in this section:

- 1 \* \* \*
- 2 "Lienholder or lessor abstract notice." A written or
- 3 electronic notice on a form developed by the department that
- 4 <u>contains all of the following:</u>
- 5 <u>(1) The make, model, title number, vehicle</u>
- 6 identification number and registration plate number of the
- 7 vehicle, if known.
- 8 (2) The name of the salvor or towing agent and the
- 9 <u>location from where the vehicle was towed.</u>
- 10 <u>(3) The complete name of the person that authorized the</u>
- 11 <u>towing and storage of the vehicle.</u>
- 12 <u>(4) The location where the vehicle is being held.</u>
- 13 (5) A breakdown of the charges due for towing, storing
- 14 and any administrative fees that must be paid by the owner or
- 15 lienholder to retrieve the vehicle.
- 16 (6) That the owner and any lienholder or lessor have the
- 17 right to reclaim the vehicle and its contents, within 30 days
- 18 after the notice was mailed, at the place where the vehicle
- 19 is being held by the salvor or appropriate towing and storage
- 20 agent.
- 21 (7) That the failure of the owner or lienholder or
- lessor to reclaim the vehicle and its contents is deemed
- 23 consent by the owner to the destruction, sale or other
- disposition of the vehicle and its contents and of all
- 25 <u>lienholders or lessors to dissolution of their liens.</u>
- 26 \* \* \*
- 27 <u>"Vehicle registration record." A department document to be</u>
- 28 used to verify vehicle information comparable to the following:
- 29 <u>(1) Whether there is a lienholder or lessor of record on</u>
- 30 the vehicle and whether the lien currently exists.

- 1 (2) The name of the lienholder or lessor.
- 2 (3) The address of the lienholder or lessor and, when
- 3 necessary, the post office box.
- 4 (4) The expiration date of the lien or lease.
- 5 (5) The financial institution number assigned to the
- 6 <u>lienholder or lessor, as applicable.</u>
- 7 (6) When necessary, that the lien is an electronic lien.
- 8 (7) The electronic mail address of the lienholder or
- 9 <u>lessor</u>, as applicable.
- 10 (8) Any other information as determined by the
- 11 <u>department.</u>
- 12 \* \* \*
- 13 Section 2. Section 1161(b) of Title 75 is amended and the
- 14 section is amended by adding a subsection to read:
- 15 § 1161. Certificate of salvage required.
- 16 \* \* \*
- 17 (b) Application for certificate of salvage. -- An owner who
- 18 transfers a vehicle to be destroyed or dismantled, salvaged or
- 19 recycled shall assign the certificate of title to the person to
- 20 whom the vehicle is transferred. Except as provided in section
- 21 1163, the transferee shall immediately present the assigned
- 22 certificate of title to the department or an authorized agent of
- 23 the department with an application for a certificate of salvage
- 24 upon a form furnished and prescribed by the department. If the
- 25 transferee is classified as a vehicle salvage dealer as
- 26 specified under section 1337(c)(2) (relating to use of
- 27 "Miscellaneous Motor Vehicle Business" registration plates), the
- 28 transferee shall satisfy the requirements provided under section
- 29 1162(a) before making an application to the department or an
- 30 authorized agent of the department for a vehicle to be

- 1 transferred as a salvage vehicle or a nonrepairable vehicle. If\_
- 2 the transferee is classified as a scrap metal processor and
- 3 registered with the Statewide registry of scrap metal processors
- 4 and recycling facilities in accordance with the act of October
- 5 <u>9, 2008 (P.L.1408, No.113), known as the Scrap Material Theft</u>
- 6 Prevention Act, the scrap metal processor shall satisfy the
- 7 requirements under section 1163(b.1) before notifying the
- 8 <u>department that a vehicle has been processed to the extent the</u>
- 9 <u>vehicle is no longer identifiable as a vehicle.</u> An insurer as
- 10 defined in section 1702 to which title to a vehicle is assigned
- 11 upon payment to the insured or claimant of the replacement value
- 12 of a vehicle shall be regarded as a transferee under this
- 13 subsection, and an assignment of title to an insurer under this
- 14 subsection is exempt from the requirements of notarization and
- 15 verification in section 1111(a) (relating to transfer of
- 16 ownership of vehicle). If an owner retains possession of a
- 17 vehicle which is damaged to the extent that it qualifies for
- 18 vehicle replacement payment, the owner shall apply for a
- 19 certificate of salvage immediately. In this case, an insurer
- 20 shall not pay vehicle replacement value until the owner produces
- 21 evidence to the insurer that the certificate of salvage has been
- 22 issued. A self-insurer as defined in section 1702 shall apply
- 23 for a certificate of salvage when a vehicle is damaged to the
- 24 extent that the cost of repairs would exceed the replacement
- 25 value of the vehicle as certified by a licensed motor vehicle
- 26 physical damage appraiser.
- 27 \* \* \*
- 28 (c.1) Affirmation of vehicle ownership. -- The department
- 29 <u>shall require a person to obtain a motor vehicle title and</u>
- 30 vehicle registration record from the department or an authorized

- 1 agent of the department, by electronic means if available, to
- 2 <u>affirm that the ownership of a vehicle is not being transferred</u>
- 3 as a salvage vehicle or a nonrepairable vehicle if a certificate
- 4 of title is encumbered with an existing lien or lease.
- 5 \* \* \*
- 6 Section 3. Section 1162 of Title 75 is amended to read:
- 7 § 1162. Transfer to vehicle salvage dealer.
- 8 (a) General rule. -- Any owner who transfers a vehicle or a
- 9 salvage vehicle to a vehicle salvage dealer, as defined in
- 10 section 1337(c)(2) (relating to use of "Miscellaneous Motor
- 11 Vehicle Business" registration plates), shall assign the
- 12 certificate of title or salvage certificate to the vehicle
- 13 salvage dealer. Before an owner of a vehicle may assign a
- 14 certificate of title to a vehicle salvage dealer for the purpose
- 15 of transferring ownership, the vehicle salvage dealer shall
- 16 <u>obtain a motor vehicle title and vehicle registration record</u>
- 17 from the department or an authorized agent of the department, by
- 18 electronic means, if available. A vehicle salvage dealer shall
- 19 not be required to obtain a motor vehicle title and vehicle
- 20 registration record for a vehicle when the owner currently
- 21 possesses a certificate of salvage for the vehicle or the
- 22 vehicle has been previously designated by the department as a
- 23 nonrepairable vehicle. If the motor vehicle title and vehicle
- 24 registration record affirms to the vehicle salvage dealer that
- 25 the owner of the vehicle has an existing lien encumbered on the
- 26 certificate of title, the vehicle salvage dealer shall notify
- 27 the existing lienholder or lessor listed on the motor vehicle
- 28 title and vehicle registration record in accordance with section
- 29 6309.3 (relating to lienholder or lessor notice of impoundment
- 30 and recovery of liened or leased vehicle) before submitting an

- 1 application for a certificate of salvage or nonrepairable
- 2 certificate to the department or an authorized agent of the
- 3 <u>department. A vehicle salvage dealer shall not be required to</u>
- 4 <u>satisfy the requirements under section 6309.3 if the motor</u>
- 5 <u>vehicle title and vehicle registration record states that the</u>
- 6 owner of the vehicle does not have an existing lien encumbered
- 7 on the certificate of title. A certificate of title or salvage
- 8 certificate for a vehicle transferred to a vehicle salvage
- 9 dealer is exempt from the requirements of notarization and
- 10 verification by a corporate officer.
- 11 (b) Certificate of title.--[Upon] After affirming that the
- 12 motor vehicle title and vehicle registration record does not
- 13 state that the owner of the vehicle has an existing lien
- 14 <u>encumbered on the certificate of title and upon</u> transfer of a
- 15 certificate of title to a salvage vehicle dealer, the salvage
- 16 vehicle dealer shall immediately send to the department or an
- 17 authorized agent of the department either of the following:
- 18 (1) The assigned certificate of title attached to a form
- 19 prescribed by the department indicating that the vehicle is
- 20 to be designated as a nonrepairable vehicle. A copy of the
- 21 form shall be retained for record in accordance with section
- 22 6308(d) (relating to investigation by police officers). The
- 23 vehicle shall not be rebuilt, retitled or issued a
- 24 certificate of any kind.
- 25 (2) The assigned certificate of title with an
- 26 application for a certificate of salvage upon a form
- 27 prescribed by the department. The certificate of salvage,
- when issued to the vehicle salvage dealer, shall have the
- 29 same effect as provided in section 1161(c) (relating to
- 30 certificate of salvage required).

- 1 (b.1) Required copies. -- At the department's discretion, if a
- 2 motor vehicle title and vehicle registration record initially
- 3 affirmed that a transferred vehicle was encumbered with an
- 4 <u>existing lien and the vehicle salvage dealer satisfied the</u>
- 5 requirements under section 6309.3, the department may require
- 6 the vehicle salvage dealer to include a copy of the motor
- 7 <u>vehicle title and vehicle registration record and lienholder or</u>
- 8 <u>lessor abstract notice in the application for a certificate of</u>
- 9 <u>salvage or nonrepairable certificate.</u>
- 10 (c) Vehicles with defective or lost title. -- Any person on
- 11 whose property is located a vehicle which is a salvage vehicle
- 12 and which has a faulty, lost or destroyed title may transfer the
- 13 vehicle to a salvor or to a salvage program operated by a
- 14 political subdivision for removal to a suitable place of storage
- 15 or for scrapping, provided the salvor or salvage program
- 16 complies with the requirements of this section[, except that
- 17 the] and the salvor or salvage program obtains a motor vehicle
- 18 title and vehicle registration record from the department or an
- 19 authorized agent of the department which affirms that no lien on
- 20 the vehicle exists. The report to the department that the
- 21 vehicle is a salvage vehicle shall be verified by the transferor
- 22 of the vehicle instead of the police department. <u>If the motor</u>
- 23 <u>vehicle title and vehicle registration record affirms to the</u>
- 24 salvor or salvage program that the vehicle has an existing
- 25 <u>lienholder or lessor of record, the salvor or salvage program</u>
- 26 shall notify the lienholder or lessor listed on the motor
- 27 <u>vehicle title and vehicle registration record in accordance with</u>
- 28 section 6309.3 before submitting an application for a
- 29 certificate of salvage to the department. The salvor or salvage
- 30 program shall not be required to satisfy the requirements

- 1 specified under section 6309.3 if the motor vehicle title and
- 2 vehicle registration record states the vehicle does not have an
- 3 existing lienholder or lessor of record.
- 4 Section 4. Section 1163(a), (b), (c) and (d) of Title 75 are
- 5 amended and the section is amended by adding subsections to
- 6 read:
- 7 § 1163. Transfer to scrap metal processor.
- 8 (a) Flattened vehicles. -- When a vehicle has been flattened,
- 9 crushed or processed to the extent that it is no longer
- 10 identifiable as a vehicle, its certificate of title, certificate
- 11 of salvage or nonrepairable certificate shall be attached to a
- 12 form prescribed by the department and immediately sent to the
- 13 department[.], except a scrap metal processor registered with
- 14 the Statewide registry of scrap metal processors and recycling
- 15 <u>facilities in accordance with the act of October 9, 2008</u>
- 16 (P.L.1408, No.113), known as the Scrap Material Theft Prevention
- 17 Act, shall satisfy the requirements under subsection (b.1)
- 18 <u>before notifying the department that a vehicle has been</u>
- 19 processed to the extent the vehicle is no longer identifiable as
- 20 a vehicle. The form shall include such information as the
- 21 department shall require. A copy of the form shall be retained
- 22 for record in accordance with section 6308(d) (relating to
- 23 investigation by police officers). The vehicle scrap material
- 24 shall no longer be considered a vehicle and shall not be
- 25 reconstructed, retitled or issued a certificate of any kind.
- 26 (b) Vehicles.--Any owner who transfers a vehicle or a
- 27 salvage vehicle to a scrap metal processor shall assign the
- 28 certificate of title or certificate of salvage to the scrap
- 29 metal processor in accordance with this section. Such
- 30 certificate of title or certificate of salvage is exempt from

- 1 the requirements of notarization and verification by a corporate
- 2 officer.
- 3 (b.1) Affirmation of vehicle ownership. -- Before an owner of
- 4 <u>a vehicle may assign a certificate of title to a scrap metal</u>
- 5 processor for the purpose of transferring ownership, the scrap
- 6 metal processor shall obtain a motor vehicle title and vehicle
- 7 registration record from the department or authorized agent of
- 8 the department for the vehicle. A scrap metal processor shall
- 9 not be required to obtain a motor vehicle title and vehicle
- 10 registration record for a vehicle when the owner currently
- 11 possesses a certificate of salvage for the vehicle or the
- 12 <u>vehicle has been previously designated by the department as a</u>
- 13 <u>nonrepairable vehicle</u>. If the motor vehicle title and vehicle
- 14 registration record affirms to the scrap metal processor that
- 15 the owner of the vehicle has an existing lien encumbered on the
- 16 certificate of title, the scrap metal processor shall notify the
- 17 existing lienholder or lessor listed on the motor vehicle title
- 18 and vehicle registration record in accordance with section
- 19 <u>6309.3 (relating to lienholder or lessor notice of impoundment</u>
- 20 and recovery of liened or leased vehicle) before notifying the
- 21 <u>department of an ownership transfer in accordance with this</u>
- 22 section.
- 23 (c) Certificate of title.--[Upon] After affirming that the
- 24 motor vehicle title and vehicle registration record does not
- 25 state that the owner of the vehicle has an existing lien
- 26 encumbered on the certificate of title and upon transfer of a
- 27 certificate of title to a scrap metal processor, the scrap metal
- 28 processor shall immediately send to the department or an
- 29 authorized agent of the department the assigned certificate of
- 30 title attached to a form prescribed by the department indicating

- 1 that the vehicle is to be designated as a nonrepairable vehicle.
- 2 A copy of the form shall be retained for record in accordance
- 3 with section 6308(d). The vehicle shall not be rebuilt, retitled
- 4 or issued a certificate of any kind.
- 5 \* \* \*
- 6 (c.2) Required copies. -- At the department's discretion, if a
- 7 motor vehicle title and vehicle registration record initially
- 8 <u>affirmed that a transferred vehicle was encumbered with an</u>
- 9 <u>existing lien and the scrap metal processor satisfied the</u>
- 10 requirements under section 6309.3, the department may require
- 11 the scrap metal processor to include a copy of the motor vehicle
- 12 <u>title</u> and vehicle registration record and lienholder or lessor
- 13 abstract notice in the application for a certificate of salvage.
- 14 (d) Vehicles with defective or lost title.--A vehicle owner
- 15 may transfer a salvage vehicle with a faulty, lost or destroyed
- 16 title located on the vehicle owner's property to a scrap metal
- 17 processor for removal to a suitable place of storage or for
- 18 scrapping, provided that the scrap metal processor complies with
- 19 the requirements of this section[.] and the scrap metal
- 20 processor obtains a motor vehicle title and vehicle registration
- 21 record which affirms that no lien on the vehicle exists. The
- 22 report to the department that the vehicle is a salvage vehicle
- 23 shall be verified by the transferor of the vehicle. If the motor
- 24 vehicle title and vehicle registration record affirms to the
- 25 scrap metal processor that the vehicle has an existing
- 26 lienholder or lessor of record, the scrap metal processor shall
- 27 <u>notify the lienholder or lessor listed on the motor vehicle</u>
- 28 title and vehicle registration record in accordance with section
- 29 <u>6309.3 before submitting an application for a certificate of</u>
- 30 <u>salvage to the department. The scrap metal processor shall not</u>

- 1 be required to satisfy the requirements specified under section
- 2 6309.3 if the motor vehicle title and vehicle registration
- 3 record states the vehicle does not have an existing lienholder
- 4 <u>or lessor of record.</u>
- 5 Section 5. Section 1167 of Title 75 is amended to read:
- 6 § 1167. Penalty.
- 7 [A] <u>(a) General rule.--Except for department employees and</u>
- 8 <u>as provided in subsection (b), a</u> person who violates the
- 9 provisions of this subchapter commits a summary offense and
- 10 shall, upon conviction, be sentenced to pay a fine of \$500 for
- 11 each violation.
- 12 (b) Failure to obtain motor vehicle title and vehicle
- 13 registration record. -- A person who violates section 1162
- 14 <u>(relating to transfer to vehicle salvage dealer) or 1163</u>
- 15 <u>(relating to transfer to scrap metal processor) by failing to</u>
- 16 <u>obtain a motor vehicle title and vehicle registration record and</u>
- 17 to affirm that a vehicle does not have any existing lienholders
- 18 or lessors of record commits a summary offense and shall, upon
- 19 conviction, be sentenced as follows:
- 20 (1) For a first offense, to pay a fine of \$500.
- 21 (2) For a second offense, to pay a fine of \$1,000.
- 22 <u>(3) For a third or subsequent offense, to pay a fine of</u>
- 23 <u>\$</u>2,500.
- 24 (4) Notwithstanding paragraphs (1), (2) and (3), a
- 25 person who fails to obtain a motor vehicle title and vehicle
- 26 registration record and to affirm that the vehicle does not
- 27 <u>have any existing lienholders or lessors of record, which</u>
- 28 <u>results in the loss of the vehicle, shall, upon conviction,</u>
- 29 be sentenced to pay a fine of \$5,000 or the value of the
- 30 vehicle at the time of transfer to a vehicle salvage dealer

- or scrap metal processor or amount of outstanding lien,
- 2 <u>whichever is more.</u>
- 3 (5) In addition to any other penalties authorized by
- 4 this title, a violation of this section shall be deemed a
- 5 violation of the act of December 17, 1968 (P.L.1224, No.387),
- 6 known as the Unfair Trade Practices and Consumer Protection
- 7 <u>Law. Nothing in this title shall preclude a lienholder or</u>
- 8 <u>lessor from exercising any right provided under the Unfair</u>
- 9 Trade Practices and Consumer Protection Law, and the
- 10 <u>following apply:</u>
- (i) The Office of Attorney General shall accept
- 12 <u>complaints from a lienholder or lessor in accordance with</u>
- this section. A lienholder or lessor may file a complaint
- with the Bureau of Consumer Protection of the Office of
- 15 Attorney General.
- 16 (ii) A person convicted of a violation of the Unfair
- 17 <u>Trade Practices and Consumer Protection Law shall be</u>
- sentenced to pay a civil penalty of up to \$5,000.
- 19 Section 6. Section 6309(c), (d) and (e) of Title 75 are
- 20 amended and the section is amended by adding a subsection to
- 21 read:
- 22 § 6309. Impoundment for nonpayment of fines; vehicles or
- combinations with a gross vehicle weight rating of
- 24 17,001 pounds or more.
- 25 \* \* \*
- 26 (c) Notice of impoundment. -- The following apply:
- 27 <u>(1)</u> Except in cities of the first class, the appropriate
- law enforcement officer shall give immediate notice by the
- 29 most expeditious means and by certified mail, return receipt
- reguested or electronic tracking of delivery, of the

impoundment and location of the vehicle or combination to the owner of the vehicle or combination and the owner of the load [and any lienholders] if the names and addresses of the owner [and any lienholder] are known or can be ascertained by investigation. The following apply:

(i) The appropriate law enforcement officer under this paragraph shall obtain a motor vehicle title and vehicle registration record from the department or authorized agent of the department to certify that there are no existing lienholders or lessors of record on the certificate of title for the impounded vehicle.

registration record affirms that there is an existing
lienholder or lessor for the impounded vehicle, the
appropriate law enforcement officer shall send the
lienholder or lessor abstract notice to the existing
lienholder or lessor listed on the motor vehicle title
and vehicle registration record in accordance with
section 6309.3 (relating to lienholder or lessor notice
of impoundment and recovery of liened or leased vehicle)
in addition to the notice of impoundment required under
this subsection.

(2) No impounded vehicle or combination or the load may be sold as an unclaimed vehicle under section 6310 (relating to disposition of impounded vehicles, combinations and loads) until the appropriate law enforcement officer satisfies the requirement under section 6309.3 for the purposes of notifying an existing lienholder or lessor if the obtained motor vehicle title and vehicle registration record affirms that there is an existing lienholder or lessor.

1	(3) Notwithstanding the sending of a lienholder or
2	lessor abstract notice under section 6309.3, a law
3	enforcement officer under this section shall conduct an
4	investigation to ascertain the names and addresses of the
5	owner of the vehicle or combination and the owner of the load
6	to notify the impoundment of the vehicle or combination or

- (4) In cities of the first class, the Philadelphia Parking Authority shall give immediate notice by first class mail, proof of mailing, of the impoundment and location of the vehicle or combination to the owner [and the lienholder] of the vehicle or combination and the owner of the load using reasonably available State databases.
- (5) In addition to the requirements of paragraph (4), the Philadelphia Parking Authority shall obtain a motor vehicle title and vehicle registration record from the department or authorized agent of the department to certify that there are no existing lienholders or lessors of record on the certificate of title for the impounded vehicle. If the motor vehicle title and vehicle registration record affirms that there is an existing lienholder or lessor for the impounded vehicle, the Philadelphia Parking Authority shall be required to send a lienholder or lessor abstract notice to the existing lienholder or lessor listed on the motor vehicle title and vehicle registration record in accordance with section 6309.3, in addition to the notice of impoundment required under this section.
  - (6) No impounded vehicle or combination or the load may
    be sold as an unclaimed vehicle under section 6310 until the
    Philadelphia Parking Authority satisfies the requirements

the load.

- 1 <u>under section 6309.3 for the purpose of notifying an existing</u>
- 2 lienholder or lessor if the obtained motor vehicle title and
- 3 <u>vehicle registration record affirms that there is an existing</u>
- 4 <u>lienholder or lessor.</u>
- 5 (7) Notwithstanding the sending of a lienholder or
- 6 <u>lessor abstract notice under section 6309.3, the Philadelphia</u>
- 7 Parking Authority shall ascertain the names and addresses of
- 8 the owner of the vehicle or combination and the owner of the
- 9 <u>load using reasonably available State databases to notify the</u>
- impoundment of the vehicle or combination or the load.
- 11 (c.1) Affirmation of vehicle ownership. -- The department
- 12 <u>shall require the Philadelphia Parking Authority to obtain a</u>
- 13 motor vehicle title and vehicle registration record from the
- 14 <u>department or an authorized agent of the department, by</u>
- 15 electronic means if available, for the purposes of notifying a
- 16 person that an issuing authority has issued an impoundment order
- 17 for a vehicle or combination or load that has been stored at a
- 18 location authorized under this section. An alternative
- 19 application or system used by an appropriate law enforcement
- 20 officer or the Philadelphia Parking Authority shall be capable
- 21 of producing a document comparable to the motor vehicle title
- 22 and vehicle registration record and shall be approved by the
- 23 department.
- 24 (d) Costs.--[The] Notwithstanding the provisions of section
- 25 6309.3(d), the costs of the police officer, constable,
- 26 impoundment official, appropriate law enforcement officer or the
- 27 Philadelphia Parking Authority, reasonable storage costs and all
- 28 other reasonable costs incident to seizure and impounding under
- 29 subsections (a) and (b) shall be recoverable in addition to
- 30 costs of prosecution.

- 1 (e) Recovery of impounded vehicle. --2 [The] Except as provided in paragraph (1.1), the owner of any vehicle or combination which has been impounded 3 under this section may obtain possession of the vehicle or 4 5 combination by: furnishing proof of valid registration and 6 7 financial responsibility; and 8 paying all fines and costs associated with the 9 impoundment of the vehicle or making arrangements with the appropriate judicial authority to make payments of 10 all fines and costs by installments as provided by the 11 12 Pennsylvania Rules of Criminal Procedure. 13 (1.1) In accordance with section 6309.3(c), the 14 recipient of a lienholder or lessor abstract notice may obtain possession of the vehicle or combination by: 15 (i) furnishing a copy of the lienholder or lessor 16 17 abstract notice and proof of identity to affirm that the 18 individual recovering the vehicle or combination is 19 affiliated with the existing lienholder or lessor listed 20 on the abstract; and 21 (ii) paying all reasonable towing and storage fees 22 in accordance with section 3353(c) (relating to 23 prohibitions in specified places) but not any fines and 24 costs associated with the impoundment of the vehicle 25 before recovery of the vehicle or combination. The 26 recipient of the lienholder or lessor abstract notice 27 shall not be denied recovery of the vehicle or combination for nonpayment of any other costs, fees or
- 28
- 30 Any vehicle or combination not recovered under this

fines.

- 1 subsection may be sold as an unclaimed vehicle, combination
- or load under section 6310 [(relating to disposition of
- impounded vehicles, combinations and loads)].
- 4 \* \* \*
- 5 Section 7. Section 6309.1(d), (e) and (f) of Title 75 are
- 6 amended to read:
- 7 § 6309.1. Impoundment for nonpayment of fines; vehicles or
- 8 combinations with a gross vehicle weight rating of
- 9 17,000 pounds or less.
- 10 \* \* \*
- 11 (d) Notice of impoundment. -- The following apply:
- 12 <u>(1)</u> Except in cities of the first class, the appropriate
- law enforcement officer shall give immediate notice by the
- most expeditious means and by certified mail, return receipt
- requested, of the impoundment and location of the vehicle or
- 16 combination to the owner of the vehicle or combination [and
- any lienholder] and, if applicable, any owner of the load, if
- the names and addresses of the owner [and any lienholder] are
- known or can be ascertained by investigation. The following
- 20 apply:
- 21 (i) The appropriate law enforcement officer shall
- 22 <u>obtain a motor vehicle title and vehicle registration</u>
- 23 record from the department or an authorized agent of the
- 24 <u>department to certify that there are no existing</u>
- 25 <u>lienholders or lessors of record on the certificate of</u>
- 26 title for the impounded vehicle.
- 27 <u>(ii) If the motor vehicle title and vehicle</u>
- 28 registration record affirms that there is an existing
- 29 <u>lienholder or lessor for the impounded vehicle, the</u>
- 30 appropriate law enforcement officer shall send a

lienholder or lessor abstract notice to the existing

lienholder or lessor listed on the motor vehicle title

and vehicle registration record in accordance with

section 6309.3 (relating to lienholder or lessor notice

of impoundment and recovery of liened or leased vehicle),

in addition to the notice of impoundment required under

this subsection.

- (2) No impounded vehicle or combination or the load may be sold as an unclaimed vehicle under section 6310 (relating to disposition of impounded vehicles, combinations and loads) until the appropriate law enforcement officer satisfies the requirements under section 6309.3 for the purpose of notifying an existing lienholder or lessor if the obtained motor vehicle title and vehicle registration record affirms that there is an existing lienholder or lessor.
- (3) Notwithstanding the sending of a lienholder or lessor abstract notice under section 6309.3, a law enforcement officer under this section shall conduct an investigation to ascertain the names and addresses of the owner of the vehicle or combination and, if applicable, any owner of the load to notify the impoundment of the vehicle or combination.
- (4) In cities of the first class, the Philadelphia Parking Authority shall give immediate notice by first class mail, proof of mailing, of the impoundment and location of the vehicle or combination to the owner [and the lienholder] of the vehicle or combination and, if applicable, any owner of the load using reasonably available State databases.
- 29 <u>(5) In addition to the requirements of paragraph (4),</u>
  30 <u>the Philadelphia Parking Authority shall obtain a motor</u>

- 1 <u>vehicle title and vehicle registration record from the</u>
- 2 <u>department or an authorized agent of the department to</u>
- 3 <u>certify that there are no existing lienholders or lessors of</u>
- 4 <u>record on the certificate of title for the impounded</u>
- 5 <u>vehicle</u>. If the motor vehicle title and vehicle registration
- 6 record affirms that there is an existing lienholder or lessor
- 7 <u>for the impounded vehicle, the Philadelphia Parking Authority</u>
- 8 <u>shall send a lienholder or lessor abstract notice to the</u>
- 9 existing lienholder or lessor listed on the motor vehicle
- 10 title and vehicle registration record in accordance with
- 11 <u>section 6309.3, in addition to the notice of impoundment</u>
- 12 <u>required under this subsection.</u>
- 13 (6) No impounded vehicle or combination or the load may
- 14 <u>be sold as an unclaimed vehicle under section 6310 until the</u>
- 15 Philadelphia Parking Authority satisfies the requirements
- 16 <u>under section 6309.3 for the purpose of notifying an existing</u>
- 17 lienholder or lessor if the obtained motor vehicle title and
- 18 vehicle registration record affirms that there is an existing
- 19 lienholder or lessor.
- 20 (7) Notwithstanding the sending of a lienholder or
- 21 <u>lessor abstract notice under section 6309.3, the Philadelphia</u>
- 22 Parking Authority shall ascertain the names and addresses of
- 23 <u>the owner of the vehicle or combination and, if applicable,</u>
- any owner of the load by using reasonably available State
- 25 databases to notify the impoundment of the vehicle or
- combination and, if applicable any owner of the load by using
- 27 <u>reasonably available State databases to notify the</u>
- impoundment of the vehicle or combination and, if applicable,
- 29 <u>any owner of the load.</u>
- 30 (e) Costs.--[The] Notwithstanding the provisions of section

- 1 6309.3(d), the costs of the police officer, constable,
- 2 impoundment official, appropriate law enforcement officer or
- 3 Philadelphia Parking Authority, reasonable storage costs and all
- 4 other reasonable costs incident to seizure and impounding under
- 5 subsections (b) and (c) shall be recoverable in addition to
- 6 costs of prosecution.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

- 7 (f) Recovery of impounded vehicle.--
- 8 (1) [The] Except as provided in paragraph (1.1), the
  9 owner of any vehicle or combination which has been impounded
  10 under this section may obtain possession of the vehicle or
  11 combination by:
  - (i) furnishing proof of valid registration and financial responsibility; and
  - (ii) paying all fines and costs associated with the impoundment of the vehicle or making arrangements with the appropriate judicial authority to make payments of all fines and costs by installments as provided by the Pennsylvania Rules of Criminal Procedure.
  - (1.1) In accordance with section 6309.3(c), the recipient of a lienholder or lessor abstract notice may obtain possession of the vehicle or combination by:
  - (i) furnishing a copy of the lienholder or lessor

    abstract notice and proof of identity to affirm that the

    individual recovering the vehicle or combination is

    affiliated with the existing lienholder or lessor listed

    on the abstract; and
  - (ii) paying all reasonable towing and storage fees
    in accordance with section 3353(c) (relating to
    prohibitions in specified places) but not any fines and
    costs associated with the impoundment of the vehicle

- 1 before recovery of the vehicle or combination.
- 2 (2) Any vehicle or combination not recovered under this
- 3 subsection may be sold as an unclaimed vehicle, combination
- 4 or load under section 6310 [(relating to disposition of
- impounded vehicles, combinations and loads)].
- 6 \* \* \*
- 7 Section 8. Title 75 is amended by adding a section to read:
- 8 § 6309.3. Lienholder or lessor notice of impoundment and
- 9 <u>recovery of liened or leased vehicle.</u>
- 10 (a) Affirmation of vehicle ownership. -- If a person obtained
- 11 <u>a motor vehicle title and vehicle registration record from the</u>
- 12 <u>department or an authorized agent of the department that affirms</u>
- 13 that a vehicle has an existing lienholder or lessor of record
- 14 <u>encumbered on the certificate of title, that person shall send</u>
- 15 the existing lienholder or lessor listed on the motor vehicle
- 16 <u>title and vehicle registration record a lienholder or lessor</u>
- 17 abstract notice in accordance with subsection (b). A person
- 18 shall not be mandated to satisfy requirements under subsection
- 19 (b) when a motor vehicle title and vehicle registration record
- 20 <u>states a vehicle does not have an existing lienholder or lessor</u>
- 21 encumbered on the vehicle.
- 22 (b) Lienholder or lessor abstract notice. -- A lienholder or
- 23 lessor abstract notice shall be provided by a person required to
- 24 obtain a motor vehicle title and vehicle registration record
- 25 <u>under section 1162</u> (relating to transfer to vehicle salvage
- 26 dealer), 1163 (relating to transfer to scrap metal processor),
- 27 6309 (relating to impoundment for nonpayment of fines; vehicles
- 28 or combinations with a gross vehicle weight rating of 17,001
- 29 pounds or more) or 6309.1 (relating to impoundment for
- 30 nonpayment of fines; vehicles or combinations with a gross

- 1 <u>vehicle weight rating of 17,000 pounds or less). A lienholder or</u>
- 2 <u>lessor abstract notice shall be provided to the existing</u>
- 3 lienholder or lessor listed on the motor vehicle title and
- 4 <u>vehicle registration record within three days after obtaining a</u>
- 5 motor vehicle title and vehicle registration record from the
- 6 <u>department or an authorized agent of the department. The notice</u>
- 7 <u>shall state a vehicle has an existing lienholder or lessor</u>
- 8 encumbered on the certificate of title. A lienholder or lessor
- 9 abstract notice shall be sent in accordance with the following:
- 10 (1) If the lienholder or lessor abstract notice is
- 11 <u>written, the lienholder or lessor abstract notice shall be</u>
- 12 <u>sent by certified mail, return receipt requested or with</u>
- 13 <u>electronic tracking of delivery.</u>
- 14 (2) If the lienholder or lessor abstract notice is
- 15 electronic, the lienholder or lessor abstract notice shall be
- typed on an official document and sent by electronic mail if
- 17 the motor vehicle title and vehicle registration record
- 18 provide an electronic mail address for the existing
- 19 lienholder or lessor listed. If the motor vehicle title and
- 20 <u>vehicle registration record do not list an electronic mail</u>
- 21 address, the person required to obtain a motor vehicle title
- 22 and vehicle registration record shall send the notice as
- 23 specified under paragraph (1).
- 24 (c) Authorization to recover vehicle. -- An existing
- 25 lienholder or lessor listed on the motor vehicle title and
- 26 vehicle registration record may recover the vehicle at the
- 27 location stated on the lienholder or lessor abstract notice
- 28 within 30 days after the date the lienholder or lessor abstract
- 29 <u>notice was sent. Before the existing lienholder or lessor may</u>
- 30 recover the vehicle under this subsection, the existing

- 1 lienholder or lessor shall respond to the lienholder or lessor
- 2 <u>abstract notice by agreeing to a date with the person sending</u>
- 3 the notice for recovery of the vehicle and pay any accrued
- 4 reasonable towing and storage fees under subsection (d). For the
- 5 <u>purposes of recovering an impounded vehicle as provided in</u>
- 6 section 6309.1(e)(1.1) and (f)(1.1), an existing lienholder or
- 7 <u>lessor that received a lienholder or lessor abstract notice</u>
- 8 shall be responsible to pay all reasonable towing and storage
- 9 fees in accordance with subsection (d) but not any fines and
- 10 costs associated with the vehicle being impounded before
- 11 recovering the vehicle or combination. An existing lienholder or
- 12 <u>lessor shall not be responsible to pay any reasonable towing and</u>
- 13 storage fees associated with the impounded vehicle if the
- 14 <u>lienholder or lessor does not opt to recover the vehicle.</u>
- 15 <u>(d) Towing and storage fees.--Reasonable towing and storage</u>
- 16 fees in accordance with section 3353(c) (relating to
- 17 prohibitions in specified places) may be imposed by the person
- 18 sending the lienholder or lessor abstract notice to the existing
- 19 lienholder or lessor listed on the motor vehicle title and
- 20 vehicle registration record. The person sending the lienholder
- 21 or lessor abstract notice may not charge a storage fee for any
- 22 additional days after the existing lienholder or lessor
- 23 responded to the lienholder or lessor abstract notice and agreed
- 24 to a date with the person sending the notice to remove the
- 25 vehicle from the place the vehicle is being held. If the
- 26 existing lienholder or lessor fails to remove the vehicle from
- 27 the place the vehicle is being held after the agreed upon date,
- 28 the person may charge a storage fee for any additional days
- 29 after the agreed upon date until the 30-day period has expired.
- 30 (e) Penalty. -- A person who violates this section by failing

- 1 to provide an existing lienholder or lessor a lienholder or
- 2 lessor abstract notice in accordance with this section commits a
- 3 <u>summary offense and shall, upon conviction, be sentenced as</u>
- 4 follows:
- 5 <u>(1) For a first offense, to pay a fine of \$500.</u>
- 6 (2) For a second offense, to pay a fine of \$1,000.
- 7 (3) For a third or subsequent offense, to pay a fine of
- 8 <u>\$2,500.</u>
- 9 (4) Notwithstanding paragraphs (1), (2) and (3), a
- 10 person who violates this section by failing to provide an
- 11 <u>existing lienholder or lessor a lienholder or lessor abstract</u>
- 12 <u>notice in accordance with this section, which results in the</u>
- loss of vehicle, shall, upon conviction, be sentenced to pay
- 14 <u>a fine of \$5,000 or the value of the vehicle at impoundment</u>
- or amount of outstanding lien, whichever is more.
- 16 (5) In addition to any other penalties authorized by
- 17 this title, a violation of this section shall be deemed a
- 18 violation of the act of December 17, 1968 (P.L.1224, No.387),
- 19 known as the Unfair Trade Practices and Consumer Protection
- Law. Nothing in this title shall preclude a lienholder or
- 21 lessor from exercising any right provided under the Unfair
- 22 Trade Practices and Consumer Protection Law, and the
- 23 following apply:
- 24 (i) The Office of Attorney General shall accept
- 25 complaints from a lienholder or lessor pursuant to this
- section. A lienholder or lessor may file a complaint with
- 27 <u>the Bureau of Consumer Protection of the Office of</u>
- 28 Attorney General.
- 29 <u>(ii) A person convicted of a violation of the Unfair</u>
- Trade Practices and Consumer Protection Law shall be

- sentenced to pay a civil penalty of up to \$5,000.
- 2 Section 9. This act shall take effect in 60 days.