

House Bill 207 (AS PASSED HOUSE AND SENATE)

By: Representatives Corbett of the 174th, Ridley of the 6th, Barton of the 5th, Watson of the 172nd, and Rhodes of the 120th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles and
2 traffic, so as to provide for electronic submission of certain documentation required of
3 owners, manufacturers, distributors, dealers, secondary metals recyclers, used motor vehicle
4 parts dealers, scrap metal processors, towing and storage firms, repair facilities, and salvage
5 dealers by the Department of Revenue; to provide for related matters; to repeal conflicting
6 laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 40 of the Official Code of Georgia Annotated, relating to motor vehicles and traffic, in
10 Code Section 40-2-38, relating to registration and licensing of manufacturers, distributors,
11 and dealers and issuance of manufacturer, distributor, and dealer plates, is amended by
12 revising paragraph (1) of subsection (a) as follows:

13 "(a)(1) Manufacturers, distributors, and dealers engaged in the manufacture, sale, or
14 leasing of vehicles required to be registered under Code Section 40-2-20 shall register by
15 electronic means with the commissioner, making application for a distinguishing dealer's
16 number, specifying the name and make of motor vehicle, tractor, or trailer manufactured,

17 sold, or leased by them, upon forms prepared by the commissioner for such purposes, and
18 pay therefor a fee of \$62.00, which shall accompany such application. Upon payment of
19 such fee by a dealer, the commissioner shall furnish to the dealer one master number plate
20 to expire each year in accordance with subsection (f) of this Code section, to be known
21 as a dealer's number and to be distinguished from the number plates provided for in this
22 chapter by different and distinguishing colors to be determined by the commissioner. The
23 dealer plate for a franchise motor vehicle dealer shall be distinguishable from the dealer
24 plate for a used car dealer and from the dealer plate for a motor vehicle wholesaler. A
25 dealer's number plate is for the purpose of demonstrating or transporting dealer's vehicles
26 or trailers for sale or lease. Persons engaged in the business of transporting vehicles for
27 a dealer under a vehicle's own power shall be permitted to use such dealer's plate for the
28 purpose of transporting a vehicle."

29

SECTION 2.

30 Said title is further amended in Code Section 40-3-36, relating to cancellation of certificate
31 of title for scrap, dismantled, or demolished vehicles or trailers; salvage certificate of title;
32 administrative enforcement; and removal of license plates, by revising paragraph (1) of
33 subsection (a), subparagraphs (a)(3)(A) through (a)(3)(C), subparagraph (a)(4)(C), and
34 subsection (b) as follows:

35 "(a)(1) Any registered owner or authorized agent of a registered owner who in any
36 manner sells or disposes of any vehicle, including a trailer, as scrap metal or parts only
37 or a secondary metals recycler, used motor vehicle parts dealer, or scrap metal processor
38 who scraps, dismantles, or demolishes a vehicle shall within 72 hours ~~mail or deliver~~
39 cancel the certificate of title ~~to the commissioner for cancellation by electronic means in~~
40 a manner designated by the department and securely destroy the certificate of title."

41 "(3)(A) The secondary metals recycler, used motor vehicle parts dealer, or scrap metal
42 processor shall ~~mail or otherwise~~ deliver the statement required under paragraph (2) of

43 this subsection to the department within 72 hours of the completion of the transaction
44 by electronic means in a manner designated by the department, requesting that the
45 department cancel the Georgia certificate of title and registration.

46 ~~(B) Notwithstanding the requirement to mail or otherwise deliver the statement~~
47 ~~required under paragraph (2) of this subsection to the department, the department shall~~
48 ~~provide a mechanism for the receipt of the information required to be obtained in the~~
49 ~~statement by electronic means, at no cost to the secondary metals recycler, used motor~~
50 ~~vehicle parts dealer, or scrap metal processor, in lieu of the physical delivery of the~~
51 ~~statement, in which case the~~ The secondary metals recycler, used motor vehicle parts
52 dealer, or scrap metal processor shall maintain the original statement for a period of not
53 less than two years.

54 (C) Within 48 hours of each day's close of business, the secondary metals recycler,
55 used motor vehicle parts dealer, or scrap metal processor who purchases or receives
56 motor vehicles for scrap or for parts shall deliver ~~in a format approved by the~~
57 ~~department, either by facsimile or by other~~ by electronic means ~~to be made available~~
58 ~~by the department by January 1, 2012~~, a list of all such vehicles purchased that day for
59 scrap or for parts. That list shall contain the following information:

- 60 (i) The name, address, and contact information for the reporting entity;
61 (ii) The vehicle identification numbers of such vehicles;
62 (iii) The dates such vehicles were obtained;
63 (iv) The names of the individuals or entities from whom the vehicles were obtained,
64 for use by law enforcement personnel and appropriate governmental agencies only;
65 (v) A statement of whether the vehicles were, or will be, crushed or disposed of, or
66 offered for sale or other purposes;
67 (vi) A statement of whether the vehicle is intended for export out of the United
68 States; and

69 (vii) The National Motor Vehicle Title Information System identification number of
70 the business acquiring the vehicle.

71 There shall be no charge to a secondary metals recycler, used motor vehicle parts
72 dealer, or scrap metal processor associated with providing this information to the
73 department."

74 "(C)(i) Any insurance company which acquires a damaged motor vehicle by virtue
75 of having paid a total loss claim shall ~~mail or~~ deliver by electronic means the
76 certificate of title to the commissioner for cancellation. If an insurance company or
77 its authorized agent, including, but not limited to, a salvage dealer as such term is
78 defined in Code Section 40-11-13, is unable to obtain a certificate of title within 30
79 days after acceptance by the motor vehicle owner of a total loss claim, the insurance
80 company or its authorized agent may apply to the department for a salvage certificate
81 of title on a form provided by the department for such purpose. Such application shall
82 require submission by electronic means of evidence that the insurance company or its
83 authorized agent has fulfilled the settlement through payment of a total loss claim and
84 has made two or more written or other verifiable forms of communication with the
85 owner in order to obtain such owner's certificate of title. Any such application made
86 by a salvage dealer shall also include written documentation of support that an
87 insurance company has transferred all its claims or rights to such vehicle to the
88 salvage dealer. Any salvage certificate of title issued by the department pursuant to
89 this subdivision shall comply with any applicable requirements relating to salvage,
90 rebuilt, or restored certificates of title in this Code section and Code Section 40-3-37.

91 (ii) In every case in which a total loss claim is paid and the insurance company does
92 not acquire such damaged motor vehicle, the insurance company paying such total
93 loss claim, the vehicle owner, and the lienholder or security interest holder, as
94 applicable, shall take the following steps to secure a salvage certificate of title for
95 such motor vehicle:

96 (I) If the vehicle owner is in possession of the certificate of title, the owner shall
97 deliver the certificate of title to the insurance company prior to any payment of the
98 claim, and the insurance company shall ~~mail or~~ deliver by electronic means the
99 certificate of title, an application for a salvage certificate of title, and the form
100 provided by the commissioner for issuance of a salvage certificate of title;

101 (II) If the certificate of title has been lost, destroyed, or misplaced, the vehicle
102 owner shall, prior to payment of the claim on such vehicle, complete an application
103 for a replacement title on the form provided by the commissioner and deliver such
104 application and form to the insurance company and the insurance company shall
105 ~~mail or~~ deliver by electronic means such application and form to the commissioner
106 for issuance of a replacement original title marked salvage;

107 (III) If the lienholder or security interest holder has possession of the certificate of
108 title, the vehicle owner shall complete an application for a replacement title on a
109 form provided by the commissioner and shall deliver the completed form to the
110 insurance company prior to the payment of the claim; the insurance company shall
111 thereafter ~~mail or~~ deliver by electronic means the application to the commissioner
112 with notice of the payment of the total loss claim and the name and address of the
113 lienholder or security interest holder in possession of the title. The commissioner
114 shall mail notice to the lienholder or security interest holder that a total loss claim
115 has been paid on the vehicle and that the title to such vehicle has been canceled, and
116 the commissioner shall provide to the lienholder or security interest holder a salvage
117 certificate of title for such vehicle, provided that the validity of the security interest
118 shall not be affected by issuance of a salvage certificate of title. The lienholder or
119 security interest holder shall, within ten days after receipt of such notice of total loss
120 claim and cancellation of the original certificate of title, ~~mail or~~ deliver by
121 electronic means the canceled original certificate of title to the commissioner; or

122 (IV) For the sole purpose of payment of a total loss claim, for any vehicle ten years
123 of age or older for which neither the vehicle owner nor the lienholder or security
124 interest holder, if any, possesses a certificate of title, the vehicle owner shall deliver
125 the vehicle license plate and certificate of registration for such vehicle to the
126 insurance company prior to payment of any claim and the insurance company shall
127 mail or deliver the license plate and deliver by electronic means the certificate of
128 registration to the commissioner with a completed form provided by the
129 commissioner; provided, however, that the vehicle owner shall not operate such
130 vehicle and the owner shall obtain a certificate of title for such vehicle as provided
131 by law, which certificate of title shall then be subject to cancellation as provided in
132 this paragraph."

133 "(b) Except as provided in subsection (a) of this Code section, any person, firm, or
134 corporation which purchases or otherwise acquires a salvage motor vehicle shall apply to
135 the commissioner by electronic means for a salvage certificate of title for such motor
136 vehicle within 30 days of the purchase or acquisition of the motor vehicle or within 30 days
137 of the payment of a total loss claim as provided in paragraph (4) of subsection (a) of this
138 Code section to the registered owner of the salvage motor vehicle, if the person, firm, or
139 corporation intends to operate or to sell, convey, or transfer the motor vehicle; and no such
140 person, firm, or corporation shall sell, transfer, or convey a salvage motor vehicle until
141 such person, firm, or corporation has applied for and obtained a salvage certificate of title."

142 **SECTION 3.**

143 Said title is further amended by revising Code Section 40-11-19.2, relating to public sale
144 authorized upon court order, procedure following satisfaction of lien, and disposition of
145 excess proceeds, by revising subsection (b) as follows:

146 "(b) After satisfaction of the lien, the towing and storage firm, repair facility, or salvage
147 dealer selling such motor vehicle shall, not later than 15 days after the date of such sale,

148 provide the Department of Revenue ~~with~~ by electronic means a copy of the bill of sale as
149 provided to the purchaser and turn the remaining proceeds of such sale, if any, over to the
150 department to be treated as unclaimed property pursuant to Article 5 of Chapter 12 of Title
151 44, the 'Disposition of Unclaimed Property Act.' The towing and storage firm, repair
152 facility, or salvage dealer selling such vehicle may deduct from such proceeds the cost
153 incurred by the advertisement of the public sale, provided that such amount is no greater
154 than \$120.00, and the cost incurred by the holding of the public sale, provided that the cost
155 is no greater than \$200.00. Any deduction so made shall be evidenced by receipts or on
156 a form prescribed by the Department of Revenue for such purpose through rule and
157 regulation. Any person convicted of failing to comply with the requirements of this
158 subsection shall be subject to a civil penalty as provided for in Article 5 of Chapter 12 of
159 Title 44."

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SECTION 4.

161 All laws and parts of laws in conflict with this Act are repealed.