

AMENDED IN SENATE JUNE 19, 2006

AMENDED IN SENATE MAY 25, 2006

AMENDED IN ASSEMBLY APRIL 6, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

ASSEMBLY BILL

No. 1122

Introduced by Assembly Member Wyland

February 22, 2005

An act to amend Section 11515 of the Vehicle Code, relating to auto insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1122, as amended, Wyland. Auto insurance: total loss.

Under existing law, following a total loss settlement on a total loss salvage vehicle and receipt of a certificate of ownership or other evidence of title, the license plates, and a specified fee, the Department of Motor Vehicles is required to issue a salvage certificate for the vehicle.

~~The~~*This* bill would authorize an insurance company, an occupational licensee of the department authorized by the insurance company, or a salvage pool authorized by the insurance company, that is unable to obtain a *properly endorsed* certificate of ownership or other evidence of ownership within 30 days following *oral or written acceptance by the owner of an offer of an amount in settlement of a total loss settlement*, on a form provided by the department and signed under penalty of perjury, to request the department to issue a salvage certificate for the vehicle. The request would be required to include and document that the requester has made at least 2 written attempts to

obtain the certificate of ownership or other acceptable evidence of title.

The bill would require the department to issue a salvage certificate upon receipt of a properly executed request, the license plates, and the fees.

Because this bill would expand the scope of the crime of perjury, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11515 of the Vehicle Code is amended
2 to read:

3 11515. (a) (1) Whenever an insurance company makes a
4 total loss settlement on a total loss salvage vehicle, the insurance
5 company, an occupational licensee of the department authorized
6 by the insurance company, or a salvage pool authorized by the
7 insurance company, within 10 days from the settlement of the
8 loss, shall forward the properly endorsed certificate of ownership
9 or other evidence of ownership acceptable to the department, the
10 license plates, and a fee in the amount of fifteen dollars (\$15), to
11 the department. An occupational licensee of the department may
12 submit a certificate of license plate destruction in lieu of the
13 actual license plate.

14 (2) If an insurance company, an occupational licensee of the
15 department authorized by the insurance company, or a salvage
16 pool authorized by the insurance company is unable to obtain the
17 properly endorsed certificate of ownership or other evidence of
18 ownership acceptable to the department within 30 days following
19 ~~a total loss settlement~~ *oral or written acceptance by the owner of*
20 *an offer of an amount in settlement of a total loss*, that insurance
21 company, licensee, or salvage pool, on a form provided by the
22 department and signed under penalty of perjury, may request the

1 department to issue a salvage certificate for the vehicle. The
2 request shall include and document that the requester has made at
3 least two written attempts to obtain the certificate of ownership
4 or other acceptable evidence of title, and shall include the license
5 plates and fee described in paragraph (1).

6 (3) The department, upon receipt of the certificate of
7 ownership, other evidence of title, or properly executed request
8 described in paragraph (2), the license plates, and the fee, shall
9 issue a salvage certificate for the vehicle.

10 (b) Whenever the owner of a total loss salvage vehicle retains
11 possession of the vehicle, the insurance company shall notify the
12 department of the retention on a form prescribed by the
13 department. The insurance company shall also notify the insured
14 or owner of the insured's or owner's responsibility to comply
15 with this subdivision. The owner shall, within 10 days from the
16 settlement of the loss, forward the properly endorsed certificate
17 of ownership or other evidence of ownership acceptable to the
18 department, the license plates, and a fee in the amount of fifteen
19 dollars (\$15) to the department. The department, upon receipt of
20 the certificate of ownership or other evidence of title, the license
21 plates, and the fee, shall issue a salvage certificate for the
22 vehicle.

23 (c) Whenever a total loss salvage vehicle is not the subject of
24 an insurance settlement, the owner shall, within 10 days from the
25 loss, forward the properly endorsed certificate of ownership or
26 other evidence of ownership acceptable to the department, the
27 license plates, and a fee in the amount of fifteen dollars (\$15) to
28 the department.

29 (d) Whenever a total loss salvage vehicle is not the subject of
30 an insurance settlement, a self-insurer, as defined in Section
31 16052, shall, within 10 days from the loss, forward the properly
32 endorsed certificate of ownership or other evidence of ownership
33 acceptable to the department, the license plates, and a fee in the
34 amount of fifteen dollars (\$15) to the department.

35 (e) Prior to the sale or disposal of a total loss salvage vehicle,
36 the owner, owner's agent, or salvage pool, shall obtain a properly
37 endorsed salvage certificate and deliver it to the purchaser within
38 10 days after payment in full for the salvage vehicle and shall
39 also comply with Section 5900. The department shall accept the
40 endorsed salvage certificate in lieu of the certificate of ownership

1 or other evidence of ownership when accompanied by an
2 application and other documents and fees, including, but not
3 limited to, the fees required by Section 9265, as may be required
4 by the department.

5 (f) This section does not apply to a vehicle that has been
6 driven or taken without the consent of the owner thereof, until
7 the vehicle has been recovered by the owner and only if the
8 vehicle is a total loss salvage vehicle.

9 (g) A violation of subdivision (a), (b), (d), or (e) is a
10 misdemeanor, pursuant to Section 40000.11. Notwithstanding
11 Section 40000.11, a violation of subdivision (c) is an infraction,
12 except that, if committed with the intent to defraud, a violation of
13 subdivision (c) is a misdemeanor.

14 (h) (1) A salvage certificate issued pursuant to this section
15 shall include a statement that the seller and subsequent sellers
16 that transfer ownership of a total loss vehicle pursuant to a
17 properly endorsed salvage certificate are required to disclose to
18 the purchaser at, or prior to, the time of sale that the vehicle has
19 been declared a total loss salvage vehicle.

20 (2) Effective on and after the department includes in the
21 salvage certificate form the statement described in paragraph (1),
22 a seller who fails to make the disclosure described in paragraph
23 (1) shall be subject to a civil penalty of not more than five
24 hundred dollars (\$500).

25 (3) Nothing in this subdivision affects any other civil remedy
26 provided by law, including, but not limited to, punitive damages.

27 SEC. 2. No reimbursement is required by this act pursuant to
28 Section 6 of Article XIII B of the California Constitution because
29 the only costs that may be incurred by a local agency or school
30 district will be incurred because this act creates a new crime or
31 infraction, eliminates a crime or infraction, or changes the
32 penalty for a crime or infraction, within the meaning of Section
33 17556 of the Government Code, or changes the definition of a
34 crime within the meaning of Section 6 of Article XIII B of the
35 California Constitution.

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