

105TH CONGRESS
1ST SESSION

S. 852

To establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

IN THE SENATE OF THE UNITED STATES

JUNE 9, 1997

Mr. LOTT (for himself and Mr. FORD) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science and Transportation

A BILL

To establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Motor Vehicle
5 Safety, Anti-theft, Title Reform, and Consumer Protection
6 Act of 1997”.

1 **SEC. 2. MOTOR VEHICLE TITLING AND DISCLOSURE RE-**
 2 **QUIREMENTS.**

3 (a) IN GENERAL.—Subtitle VI of title 49, United
 4 States Code, is amended by adding at the end the follow-
 5 ing new chapter:

“CHAPTER 333—AUTOMOBILE SAFETY, ANTI-THEFT, AND TITLE
 DISCLOSURE REQUIREMENTS

“Sec.

“33301. Definitions.

“33302. Passenger motor vehicle titling.

“33303. Label requirement.

“33304. Petition for extensions of time.

“33305. Effect on State law.

“33306. Civil and criminal penalties.

6 **“§ 33301. Definitions**

7 “For the purposes of this chapter the following defi-
 8 nitions and requirements shall apply:

9 “(1) PASSENGER MOTOR VEHICLE.—The term
 10 ‘passenger motor vehicle’ means a motor vehicle as
 11 defined in section 32101(7) that is rated by the
 12 manufacturer at not more than 10,000 pounds gross
 13 vehicle weight and that is either—

14 “(A) a passenger motor vehicle as defined
 15 in section 32101(10), including a multipurpose
 16 passenger vehicle as defined in section
 17 32101(9); or

18 “(B) a truck (other than a truck referred
 19 to in section 32101(10)(B).

20 “(2) SALVAGE VEHICLE.—

1 “(A) IN GENERAL.—Subject to subpara-
2 graph (E), the term ‘salvage vehicle’ means any
3 passenger motor vehicle that has been wrecked,
4 destroyed, or damaged to the extent that—

5 “(i) if the vehicle is not rebuilt or re-
6 constructed, the total estimated cost; or

7 “(ii) if the vehicle is rebuilt or recon-
8 structed the total actual cost

9 of parts and labor to rebuild or reconstruct the
10 passenger motor vehicle to its preaccident con-
11 dition for legal operation on the roads or high-
12 ways exceeds 75 percent of the retail value of
13 the passenger motor vehicle, immediately before
14 it was wrecked, damaged, or destroyed, as set
15 forth in the most recent edition of any nation-
16 ally recognized compilation (including auto-
17 mated databases) of current retail values that is
18 approved by the Secretary.

19 “(B) VEHICLES EXCLUDED.—Such term
20 does not include any passenger motor vehicle
21 that—

22 “(i) has a model year designation of
23 the year in which the vehicle was wrecked,
24 destroyed, or damaged, or one of the 6 im-
25 mediately preceding model years; or

1 “(ii) had a retail value, immediately
2 before it was wrecked, destroyed, or dam-
3 aged, of more than \$10,000.

4 Beginning with the second calendar year begin-
5 ning after the date of enactment of the Na-
6 tional Motor Vehicle Safety, Antitheft, Title Re-
7 form, and Consumer Protection Act of 1997,
8 the Secretary shall adjust the dollar figure in
9 clause (ii) of this subparagraph to reflect the
10 change, if any, in the average consumer price
11 index for the preceding year from the average
12 consumer price index for 1997.

13 “(C) DETERMINATION OF VALUE OF RE-
14 PAIR PARTS.—For purposes of subparagraph
15 (A), the value of repair parts shall be deter-
16 mined by using—

17 “(i) the published retail cost of the
18 original equipment manufacturer parts; or

19 “(ii) the actual retail cost of the re-
20 pair parts to be used in the repair.

21 “(D) DETERMINATION OF LABOR COSTS.—
22 For purposes of subparagraph (A), the labor
23 cost of repairs shall be computed by using the
24 hourly labor rate and time allocations that are
25 reasonable and customary in the automobile re-

1 pair industry in the community in which the re-
2 pairs are performed.

3 “(E) CERTAIN VEHICLES INCLUDED.—The
4 term ‘salvage vehicle’ includes, without regard
5 to whether the passenger motor vehicle meets
6 the 75 percent threshold specified in subpara-
7 graph (A)—

8 “(i) any passenger motor vehicle with
9 respect to which an insurance company ac-
10 quires ownership under a damage settle-
11 ment (except for a settlement in connection
12 with a recovered theft vehicle that did not
13 sustain a sufficient degree of damage to
14 meet the 75 percent threshold specified in
15 subparagraph (A)); or

16 “(ii) any passenger motor vehicle that
17 an owner may wish to designate as a sal-
18 vage vehicle by obtaining a salvage title,
19 without regard to the extent of the damage
20 and repairs.

21 “(F) SPECIAL RULE.—A designation of a
22 passenger motor vehicle by an owner under sub-
23 paragraph (E)(ii) shall not impose any obliga-
24 tion on—

1 “(i) the insurer of the passenger
2 motor vehicle; or

3 “(ii) an insurer processing a claim
4 made by or on behalf of the owner of the
5 passenger motor vehicle.

6 “(3) SALVAGE TITLE.—

7 “(A) IN GENERAL.—The term ‘salvage
8 title’ means a passenger motor vehicle owner-
9 ship document issued by a State to the owner
10 of a salvage vehicle.

11 “(B) TRANSFER OF OWNERSHIP.—Owner-
12 ship of a salvage vehicle may be transferred on
13 a salvage title.

14 “(C) PROHIBITION.—The salvage vehicle
15 may not be registered for use on the roads or
16 highways unless the salvage vehicle has been is-
17 sued a rebuilt salvage title.

18 “(D) REQUIREMENT FOR A SALVAGE
19 TITLE.—A salvage title shall be conspicuously
20 labeled with the word ‘salvage’ across the front
21 of the document.

22 “(4) REBUILT SALVAGE VEHICLE.—The term
23 ‘rebuilt salvage vehicle’ means—

24 “(A) For passenger motor vehicles subject
25 to a safety inspection in a State that requires

1 such an inspection under section
2 33302(b)(2)(H), any passenger motor vehicle
3 that has—

4 “(i) been issued previously a salvage
5 title;

6 “(ii) passed applicable State antitheft
7 inspection;

8 “(iii) been issued a certificate indicat-
9 ing that the passenger motor vehicle has—

10 “(I) passed the antitheft inspec-
11 tion referred to in clause (ii); and

12 “(II) been issued a certificate in-
13 dicating that the passenger motor ve-
14 hicle has passed a required safety in-
15 spection under section
16 33302(b)(2)(H); and

17 “(iv) affixed to the door jamb adja-
18 cent to the driver’s seat a decal stating
19 ‘Rebuilt Salvage Vehicle-Antitheft and
20 Safety Inspections Passed’; or

21 “(B) for passenger motor vehicles in a
22 State other than a State referred to in subpara-
23 graph (A), any passenger motor vehicle that
24 has—

1 “(i) been issued previously a salvage
2 title;

3 “(ii) passed an applicable State
4 antitheft inspection;

5 “(iii) been issued a certificate indicat-
6 ing that the passenger motor vehicle has
7 passed the required antitheft inspection re-
8 ferred to in clause (ii); and

9 “(iv) affixed to the door jamb adja-
10 cent to the driver’s seat, a decal stating
11 ‘Rebuilt Salvage Vehicle-Antitheft Inspec-
12 tion Passed/No Safety Inspection Pursuant
13 to National Criteria’.

14 “(5) REBUILT SALVAGE TITLE.—

15 “(A) IN GENERAL.—The term ‘rebuilt sal-
16 vage title’ means the passenger motor vehicle
17 ownership document issued by a State to the
18 owner of a rebuilt salvage vehicle.

19 “(B) TRANSFER OF OWNERSHIP.—Owner-
20 ship of a rebuilt salvage vehicle may be trans-
21 ferred on a rebuilt salvage title.

22 “(C) REGISTRATION FOR USE.—A pas-
23 senger motor vehicle for which a rebuilt salvage
24 title has been issued may be registered for use
25 on the roads and highways.

1 “(D) REQUIREMENT FOR A REBUILT SAL-
2 VAGE TITLE.—A rebuilt salvage title shall be
3 conspicuously labeled, either with ‘rebuilt sal-
4 vage vehicle-antitheft and safety inspections
5 passed’ or ‘rebuilt salvage vehicle-antitheft in-
6 spection passed/no safety inspection pursuant to
7 national criteria’, as appropriate, across the
8 front of the document.

9 “(6) NONREPAIRABLE VEHICLE.—

10 “(A) IN GENERAL.—The term ‘nonrepair-
11 able vehicle’ means any passenger motor vehicle
12 that—

13 “(i)(I) is incapable of safe operation
14 for use on roads or highways; and

15 “(II) has no resale value, except as a
16 source of parts or scrap only; or

17 “(ii) the owner irreversibly designates
18 as a source of parts or scrap.

19 “(B) CERTIFICATE.—Each nonrepairable
20 vehicle shall be issued a nonrepairable vehicle
21 certificate.

22 “(7) NONREPAIRABLE VEHICLE CERTIFI-
23 CATE.—

24 “(A) IN GENERAL.—The term ‘nonrepair-
25 able vehicle certificate’ means a passenger

1 motor vehicle ownership document issued by the
2 State to the owner of a nonrepairable vehicle.

3 “(B) TRANSFER OF OWNERSHIP.—Owner-
4 ship of the passenger motor vehicle may be
5 transferred not more than 2 times on a non-re-
6 pairable vehicle certificate.

7 “(C) PROHIBITION.—A nonrepairable vehi-
8 cle that is issued a nonrepairable vehicle certifi-
9 cate may not be titled or registered for use on
10 roads or highways at any time after the issu-
11 ance of the certificate.

12 “(D) REQUIREMENT FOR NONREPAIRABLE
13 VEHICLE CERTIFICATE.—A nonrepairable vehi-
14 cle certificate shall be conspicuously labeled
15 with the term ‘nonrepairable’ across the front
16 of the document.

17 “(8) FLOOD VEHICLE.—

18 “(A) IN GENERAL.—The term ‘flood vehi-
19 cle’ means any passenger motor vehicle that has
20 been submerged in water to the point that ris-
21 ing water has reached over the door sill of the
22 motor vehicle and has entered the passenger or
23 trunk compartment.

24 “(B) REQUIREMENT FOR DISCLOSURE.—
25 Disclosure that a passenger motor vehicle has

1 become a flood vehicle shall be made by the per-
2 son transferring ownership at the time of trans-
3 fer of ownership. After such transfer is com-
4 pleted, the certificate of title shall be conspicu-
5 ously labeled with the term ‘flood’ across the
6 front of the document.

7 “(9) SECRETARY.—The term ‘Secretary’ means
8 the Secretary of Transportation.

9 **“§ 33302. Passenger motor vehicle titling**

10 “(a) CARRYFORWARD OF CERTAIN TITLE INFORMA-
11 TION IF A PREVIOUS TITLE WAS NOT ISSUED IN ACCORD-
12 ANCE WITH CERTAIN NATIONALLY UNIFORM STAND-
13 ARDS.—

14 “(1) IN GENERAL.—If—

15 “(A) records that are readily accessible to
16 a State indicate that a passenger motor vehicle
17 with respect to which the ownership is trans-
18 ferred on or after the date that is 1 year after
19 the date of enactment of the National Motor
20 Vehicle Safety, Antitheft, Title Reform, and
21 Consumer Protection Act of 1997, has been is-
22 sued previously a title that bore a term or sym-
23 bol described in paragraph (2); and

1 “(B) the State licenses that vehicle for use,
2 the State shall disclose that fact on a certificate
3 of title issued by the State.

4 “(2) TERMS AND SYMBOLS.—

5 “(A) IN GENERAL.—A State shall be sub-
6 ject to the requirements of paragraph (1) with
7 respect to the following terms on a title that
8 has been issued previously to a passenger motor
9 vehicle (or symbols indicating the meanings of
10 those terms):

11 “(i) salvage.

12 “(ii) unrebuildable.

13 “(iii) parts only.

14 “(iv) scrap.

15 “(v) junk.

16 “(vi) nonrepairable.

17 “(vii) reconstructed.

18 “(viii) rebuilt.

19 “(ix) any other similar term, as deter-
20 mined by the Secretary.

21 “(B) FLOOD DAMAGE.—A State shall be
22 subject to the requirements of paragraph (1) if
23 a term or symbol on a title issued previously for
24 a passenger vehicle indicates that the vehicle
25 has been damaged by flood.

1 “(b) NATIONALLY UNIFORM TITLE STANDARDS AND
2 CONTROL METHODS.—

3 “(1) IN GENERAL.—Not later than 18 months
4 after the date of the enactment of the National
5 Motor Vehicle Safety, Antitheft, Title Reform, and
6 Consumer Protection Act of 1997, the Secretary
7 shall issue regulations that require each State that
8 licenses passenger motor vehicles with respect to
9 which the ownership is transferred on or after the
10 date that is 2 years after the issuance of final regu-
11 lations, to apply with respect to the issuance of the
12 title for any such motor vehicle uniform standards,
13 procedures, and methods for—

14 “(A) the issuance and control of that title;
15 and

16 “(B) information to be contained on such
17 title.

18 “(2) CONTENTS OF REGULATIONS.—The titling
19 standards, control procedures, methods, and infor-
20 mation covered under the regulations issued under
21 this subsection shall include the following:

22 “(A) INDICATION OF STATUS.—Each State
23 shall indicate on the face of a title or certificate
24 for a passenger motor vehicle, as applicable, if
25 the passenger motor vehicle is a salvage vehicle,

1 a nonrepairable vehicle, a rebuilt salvage vehi-
2 cle, or a flood vehicle.

3 “(B) SUBSEQUENT TITLES.—The informa-
4 tion referred to in subparagraph (A) concerning
5 the status of the passenger vehicle shall be con-
6 veyed on any subsequent title, including a du-
7 plicate or replacement title, for the passenger
8 motor vehicle issued by the original titling State
9 or any other State.

10 “(C) SECURITY STANDARDS.—The title
11 documents, the certificates and decals required
12 by section 33301(4), and the system for issuing
13 those documents, certificates, and decals shall
14 meet security standards that minimize opportu-
15 nities for fraud.

16 “(D) IDENTIFYING INFORMATION.—Each
17 certificate of title referred to in subparagraph
18 (A) shall include the passenger motor vehicle
19 make, model, body type, year, odometer disclo-
20 sure, and vehicle identification number.

21 “(E) UNIFORM LAYOUT.—The title docu-
22 ments covered under the regulations shall main-
23 tain a uniform layout, that shall be established
24 by the Secretary, in consultation with each
25 State or an organization that represents States.

1 “(F) NONREPAIRABLE VEHICLES.—A pas-
2 senger motor vehicle designated as nonrepair-
3 able—

4 “(i) shall be issued a nonrepairable
5 vehicle certificate; and

6 “(ii) may not be retitled.

7 “(G) REBUILT SALVAGE TITLE.—No re-
8 built salvage title may be issued to a salvage ve-
9 hicle unless, after the salvage vehicle is repaired
10 or rebuilt, the salvage vehicle complies with the
11 requirements for a rebuilt salvage vehicle under
12 section 33301(4).

13 “(H) INSPECTION PROGRAMS.—Each State
14 inspection program shall be designed to comply
15 with the requirements of this subparagraph and
16 shall be subject to approval and periodic review
17 by the Secretary. Each such inspection program
18 shall include the following:

19 “(i) Each owner of a passenger motor
20 vehicle that submits a vehicle for an
21 antitheft inspection shall be required to
22 provide—

23 “(I) a completed document iden-
24 tifying the damage that occurred to
25 the vehicle before being repaired;

1 “(II) a list of replacement parts
2 used to repair the vehicle;

3 “(III) proof of ownership of the
4 replacement parts referred to in sub-
5 clause (II) (as evidenced by bills of
6 sale, invoices or, if such documents
7 are not available, other proof of own-
8 ership for the replacement parts); and

9 “(IV) an affirmation by the
10 owner that—

11 “(aa) the information re-
12 quired to be submitted under this
13 subparagraph is complete and ac-
14 curate; and

15 “(bb) to the knowledge of
16 the declarant, no stolen parts
17 were used during rebuilding of
18 the repaired vehicle.

19 “(ii) Any passenger motor vehicle or
20 any major part or major replacement part
21 required to be marked under this section
22 that—

23 “(I) has a mark or vehicle identi-
24 fication number that has been illegally
25 altered, defaced, or falsified; and

1 “(II) cannot be identified as hav-
2 ing been legally obtained (through evi-
3 dence described in clause (i) (III)),
4 shall be contraband and subject to seizure.

5 “(iii) To avoid confiscation of parts
6 that have been legally rebuilt or remanu-
7 factured, the regulations issued under this
8 subsection shall include procedures that
9 the Secretary, in consultation with the At-
10 torney General of the United States, shall
11 establish—

12 “(I) for dealing with parts with a
13 mark or vehicle identification number
14 that is normally removed during re-
15 manufacturing or rebuilding practices
16 that are considered acceptable by the
17 automotive industry; and

18 “(II) deeming any part referred
19 to in subclause (I) to meet the identi-
20 fication requirements under the regu-
21 lations if the part bears a conspicuous
22 mark of such type, and is applied in
23 such manner, as may be determined
24 by the Secretary to indicate that the

1 part has been rebuilt or remanufac-
2 tured.

3 “(iv) With respect to any vehicle part,
4 the regulations issued under this sub-
5 section shall—

6 “(I) acknowledge that a mark or
7 vehicle identification number on such
8 part may be legally removed or al-
9 tered, as provided under section 511
10 of title 18, United States code; and

11 “(II) direct inspectors to adopt
12 such procedures as may be necessary
13 to prevent the seizure of a part from
14 which the mark or vehicle identifica-
15 tion number has been legally removed
16 or altered.

17 “(v) The Secretary shall establish na-
18 tionally uniform safety inspection criteria
19 to be used in States that require such a
20 safety inspection. A State may determine
21 whether to conduct such safety inspection,
22 contract with a third party, or permit self-
23 inspection. Any inspection conducted under
24 this clause shall be subject to criteria es-
25 tablished by the Secretary. A State that re-

1 quires a safety inspection under this clause
2 may require the payment of a fee for such
3 inspection or the processing of such inspec-
4 tion.

5 “(I) DUPLICATE TITLES.—No duplicate or
6 replacement title may be issued by a State un-
7 less—

8 “(i) the term ‘duplicate’ is clearly
9 marked on the face of the duplicate or re-
10 placement title; and

11 “(ii) the procedures issued are sub-
12 stantially consistent with the recommenda-
13 tion designated as recommendation 3 in
14 the report issued on February 10, 1994,
15 under section 140 of the Anti Car Theft
16 Act of 1992 (15 U.S.C. 2041 note) by the
17 task force established under such section.

18 “(J) TITLING AND CONTROL METHODS.—
19 Each State shall employ the following titling
20 and control methods:

21 “(i) If an insurance company is not
22 involved in a damage settlement involving
23 a salvage vehicle or a nonrepairable vehi-
24 cle, the passenger motor vehicle owner
25 shall be required to apply for a salvage

1 title or nonrepairable vehicle certificate,
2 whichever is applicable, before the earlier
3 of the date—

4 “(I) on which the passenger
5 motor vehicle is repaired or the own-
6 ership of the passenger motor vehicle
7 is transferred; or

8 “(II) that is 30 days after the
9 passenger motor vehicle is damaged.

10 “(ii) If an insurance company, under
11 a damage settlement, acquires ownership
12 of a passenger motor vehicle that has in-
13 curred damage requiring the vehicle to be
14 titled as a salvage vehicle or nonrepairable
15 vehicle, the insurance company shall be re-
16 quired to apply for a salvage title or non-
17 repairable vehicle certificate not later than
18 15 days after the title to the motor vehicle
19 is—

20 “(I) properly assigned by the
21 owner to the insurance company; and

22 “(II) delivered to the insurance
23 company with all liens released.

24 “(iii) If an insurance company does
25 not assume ownership of an insured per-

1 son's or claimant's passenger motor vehicle
2 that has incurred damage requiring the ve-
3 hicle to be titled as a salvage vehicle or
4 nonrepairable vehicle, the insurance com-
5 pany shall, as required by the applicable
6 State—

7 “(I) notify—

8 “(aa) the owner of the own-
9 er's obligation to apply for a sal-
10 vage title or nonrepairable vehicle
11 certificate for the passenger
12 motor vehicle; and

13 “(bb) the State passenger
14 motor vehicle titling office that a
15 salvage title or nonrepairable ve-
16 hicle certificate should be issued
17 for the vehicle.

18 “(iv) If a leased passenger motor vehi-
19 cle incurs damage requiring the vehicle to
20 be titled as a salvage vehicle or nonrepair-
21 able vehicle, the lessor shall be required to
22 apply for a salvage title or nonrepairable
23 vehicle certificate not later than 21 days
24 after being notified by the lessee that the
25 vehicle has been so damaged, except in any

1 case in which an insurance company, under
2 a damage settlement, acquires ownership
3 of the vehicle. The lessee of such vehicle
4 shall be required to inform the lessor that
5 the leased vehicle has been so damaged not
6 later than 30 days after the occurrence of
7 the damage.

8 “(v)(I) any person who acquires own-
9 ership of a damaged passenger motor vehi-
10 cle that meets the definition of a salvage or
11 nonrepairable vehicle for which a salvage
12 title or nonrepairable vehicle certificate has
13 not been issued, shall be required to apply
14 for a salvage title or nonrepairable vehicle
15 certificate, whichever is applicable.

16 “(II) An application under subclause
17 (I) shall be made the earlier of—

18 “(aa) the date on which the vehi-
19 cle is further transferred; or

20 “(bb) 30 days after ownership is
21 acquired.

22 “(III) The requirements of this clause
23 shall not apply to any scrap metal proc-
24 essor that—

1 “(aa) acquires a passenger motor
2 vehicle for the sole purpose of process-
3 ing the motor vehicle into prepared
4 grades of scrap; and

5 “(bb) carries out that processing.

6 “(vi) State records shall note when a
7 nonrepairable vehicle certificate is issued.
8 No State shall issue a nonrepairable vehi-
9 cle certificate after 2 transfers of owner-
10 ship in violation of section 33301(b)(7)(B).

11 “(vii)(I) In any case in which a pas-
12 senger motor vehicle has been flattened,
13 baled, or shredded, whichever occurs first,
14 the title or nonrepairable vehicle certificate
15 for the vehicle shall be surrendered to the
16 State not later than 30 days after that oc-
17 currence.

18 “(II) If the second transferee on a
19 nonrepairable vehicle certificate is
20 unequipped to flatten, bale, or shred the
21 vehicle, such transferee shall be required,
22 at the time of final disposal of the vehicle,
23 to use the services of a professional auto-
24 motive recycler or professional scrap proc-

1 essor. That recycler or reprocessor shall
2 have the authority to—

3 “(aa) flatten, bale, or shred the
4 vehicle; and

5 “(bb) effect the surrender of the
6 nonrepairable vehicle certificate to the
7 State on behalf of the second trans-
8 feree.

9 “(III) State records shall be updated
10 to indicate the destruction of a vehicle
11 under this clause and no further ownership
12 transactions for the vehicle shall be per-
13 mitted after the vehicle is so destroyed.

14 “(IV) If different from the State of
15 origin of the title or nonrepairable vehicle
16 certificate, the State of surrender shall no-
17 tify the State of origin of the surrender of
18 the title or nonrepairable vehicle certificate
19 and of the destruction of such vehicle.

20 “(viii)(I) In any case in which a sal-
21 vage title is issued, the State records shall
22 note that issuance. No State may permit
23 the retitling for registration purposes or is-
24 suanance of a rebuilt salvage title for a pas-

1 senger motor vehicle with a salvage title
2 without a certificate of inspection that—

3 “(aa) complies with the security
4 and guideline standards established by
5 the Secretary under subparagraphs
6 (C) and (G), as applicable; and

7 “(bb) indicates that the vehicle
8 has passed the inspections required by
9 the State under subparagraph (H).

10 “(II) Nothing in this clause shall pre-
11 clude the issuance of a new salvage title
12 for a salvage vehicle after a transfer of
13 ownership.

14 “(ix) After a passenger motor vehicle
15 titled with a salvage title has passed the
16 inspections required by the State, the in-
17 spection official shall—

18 “(I) affix a secure decal required
19 under section 33301(4) (that meets
20 permanency requirements that the
21 Secretary shall establish by regula-
22 tion) to the door jamb on the driver’s
23 side of the vehicle; and

24 “(II) issue to the owner of the
25 vehicle a certificate indicating that the

1 passenger motor vehicle has passed
2 the inspections required by the State.

3 “(x)(I) The owner of a passenger
4 motor vehicle titled with a salvage title
5 may obtain a rebuilt salvage title and vehi-
6 cle registration by presenting to the State
7 the salvage title, properly assigned, if ap-
8 plicable, along with the certificate that the
9 vehicle has passed the inspections required
10 by the State.

11 “(II) If the owner of a rebuilt salvage
12 vehicle submits the documentation referred
13 to in subclause (I), the State shall issue
14 upon the request of the owner a rebuilt
15 salvage title and registration to the owner.
16 When a rebuilt salvage title is issued, the
17 State records shall so note.

18 “(K) FLOOD VEHICLES.—

19 “(i) IN GENERAL.—A seller of a pas-
20 senger motor vehicle that becomes a flood
21 vehicle shall, at or before the time of trans-
22 fer of ownership, provide a written notice
23 to the purchaser that the vehicle is a flood
24 vehicle. At the time of the next title appli-
25 cation for the vehicle—

1 “(I) the applicant shall disclose
2 the flood status to the applicable
3 State with the properly assigned title;
4 and

5 “(II) the term ‘flood’ shall be
6 conspicuously labeled across the front
7 of the new title document.

8 “(ii) LEASED VEHICLES.—In the case
9 of a leased passenger motor vehicle, the
10 lessee, within 15 days after the occurrence
11 of the event that caused the vehicle to be-
12 come a flood vehicle, shall give the lessor
13 written disclosure that the vehicle is a
14 flood vehicle.

15 “(c) ELECTRONIC PROCEDURES.—A State may em-
16 ploy electronic procedures in lieu of paper documents in
17 any case in which such electronic procedures provide levels
18 of information, function, and security required by this sec-
19 tion that are at least equivalent to the levels otherwise pro-
20 vided by paper documents.

21 **“§ 33303. Label requirement**

22 “(a) IN GENERAL.—The Secretary shall by regula-
23 tion require that a label be affixed to the windshield or
24 window of a rebuilt or remanufactured salvage vehicle be-
25 fore its first sale at retail containing such information re-

1 guarding that vehicle as the Secretary may require. The
2 requirements prescribed by the Secretary under this sub-
3 section shall be similar to the requirements of section 3
4 of the Automobile Information Disclosure Act (15 U.S.C.
5 1232). The label shall be affixed by the individual who
6 conducts the applicable State antitheft inspection.

7 “(b) REMOVAL, ALTERATION, OR ILLEGIBILITY OF
8 REQUIRED LABEL.—No person shall willfully remove,
9 alter, or render illegible any label required by subsection
10 (a) affixed to a rebuilt or remanufactured salvage vehicle
11 before the vehicle is delivered to the actual custody and
12 possession of the ultimate purchaser of the vehicle.

13 **“§ 33304. Petition for extensions of time**

14 “(a) IN GENERAL.—Subject to subsection (b), if a
15 State demonstrates to the satisfaction of the Secretary,
16 a valid reason for needing an extension of a deadline for
17 compliance with requirements under section 33302(a), the
18 Secretary may extend, for a period determined by the Sec-
19 retary, an otherwise applicable deadline with respect to
20 that State.

21 “(b) LIMITATION.—No extension made under sub-
22 section (a) shall remain in effect on or after the applicable
23 compliance date established under section 33302(b).

1 **§ 33305. Effect on State law**

2 “(a) IN GENERAL.—Beginning on the effective date
3 of the regulations issued under section 33302, this chapter
4 shall preempt any State law, to the extent that State law
5 is inconsistent with this chapter or the regulations issued
6 under this chapter that—

7 “(1) establish the form of the passenger motor
8 vehicle title;

9 “(2)(A) define, in connection with a passenger
10 motor vehicle (but not in connection with a pas-
11 senger motor vehicle part or part assembly separate
12 from a passenger motor vehicle)—

13 “(i) any term defined in section 33301;

14 “(ii) the term ‘salvage’, ‘junk’, ‘recon-
15 structed’, ‘nonrepairable’, ‘unrebuildable’,
16 ‘scrap’, ‘parts only’, ‘rebuilt’, ‘flood’, or any
17 other similar symbol or term; or

18 “(B) apply any of the terms referred to in sub-
19 paragraph (A) to any passenger motor vehicle (but
20 not in connection with a passenger motor vehicle
21 part or part assembly separate from a passenger
22 motor vehicle); or

23 “(3) establish titling, recordkeeping, antitheft
24 inspection, or control procedures in connection with
25 any salvage vehicle, rebuilt salvage vehicle, non-
26 repairable vehicle, or flood vehicle.

1 “(b) **ADDITIONAL DISCLOSURES.**—Additional dislo-
2 sures of the title status or history of a motor vehicle, in
3 addition to disclosures made concerning the applicability
4 of terms defined in section 33301, may not be considered
5 to be inconsistent with this chapter.

6 “(c) **DISCLOSURE OF SAFETY INSPECTION.**—Nothing
7 in this chapter shall preclude a State from disclosing on
8 a rebuilt salvage title that a rebuilt salvage vehicle has
9 passed a State safety inspection that differed from the na-
10 tionally uniform criteria promulgated under section
11 33302(b)(2)(H)(v).

12 “(d) **STATE ENFORCEMENT.**—Subsection (a) does
13 not preclude a State from enforcing the provisions of this
14 chapter by injunction or otherwise, or by establishing
15 State civil or criminal penalties for violations of the provi-
16 sions of this chapter.

17 **§ 33306. Civil and criminal penalties**

18 “(a) **PROHIBITED ACTS.**—It shall be unlawful for any
19 person knowingly and willfully to—

20 “(1) make or cause to be made any false state-
21 ment on an application for a title (or duplicate title)
22 for a passenger motor vehicle;

23 “(2) fail to apply for a salvage title in any case
24 in which such an application is required;

25 “(3) alter, forge, or counterfeit—

1 “(A) a certificate of title (or an assignment
2 thereof);

3 “(B) a nonrepairable vehicle certificate;

4 “(C) a certificate verifying an antitheft in-
5 spection or an antitheft and safety inspection;

6 or

7 “(D) a decal affixed to a passenger motor
8 vehicle under section 33302(b)(2)(J)(ix);

9 “(4) falsify the results of, or provide false infor-
10 mation in the course of, an inspection conducted
11 under section 33302(b)(2)(H);

12 “(5) offer to sell any salvage vehicle or non-
13 repairable vehicle as a rebuilt salvage vehicle; or

14 “(6) conspire to commit any act under para-
15 graph (1), (2), (3), (4), or (5).

16 “(b) CIVIL PENALTY.—Any person who commits an
17 unlawful act under subsection (a) shall be subject to a civil
18 penalty in an amount not to exceed \$2,000.

19 “(c) CRIMINAL PENALTY.—Any person who know-
20 ingly commits an unlawful act under subsection (a) shall,
21 upon conviction, be—

22 “(1) subject to a fine in an amount not to ex-
23 ceed \$50,000;

24 “(2) imprisoned for a term not to exceed 3
25 years; or

1 “(3) subject to both fine under paragraph (1)
2 and imprisonment under paragraph (2).”.

3 (b) CONFORMING AMENDMENT.—The analysis for
4 subtitle VI of Title 49, United States Code, is amended
5 by adding at the end the following new item:

“Automobile safety, antitheft, and title disclosure requirements33301”.

