

House Bill 1344

By: Representatives Benton of the 31<sup>st</sup>, Powell of the 29<sup>th</sup>, and McCall of the 30<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 3 of Title 40 of the Official Code of Georgia Annotated,  
2 relating to certificates of title, so as to change the duty to inspect salvaged or rebuilt motor  
3 vehicles from the state revenue commissioner to the commissioner of public safety; to  
4 provide for related matters; to provide for an effective date and applicability; to repeal  
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 2 of Chapter 3 of Title 40 of the Official Code of Georgia Annotated, relating to  
9 certificates of title, is amended by revising Code Section 40-3-37, relating to salvaged or  
10 rebuilt motor vehicles, as follows:

11 "40-3-37.

12 (a) As used in this Code section, the term:

13 (1) 'Application for a certificate of title on a recovered stolen motor vehicle' means an  
14 application for a certificate of title for a motor vehicle for which an insurance company  
15 has paid a total loss claim, has obtained a title marked 'unrecovered stolen motor vehicle,'  
16 and which has subsequently been recovered.

17 (2) 'Application for a certificate of title on a salvaged or rebuilt motor vehicle' means:

18 (A) An application for a certificate of title for a motor vehicle for which a current  
19 Georgia certificate of title is marked 'salvage' pursuant to subsection (e) of Code  
20 Section 40-3-36 and which has been repaired;

21 (B) An application for a certificate of title for a motor vehicle for which a current  
22 out-of-state certificate of title is marked 'salvage,' 'rebuilt,' or 'restored' or any similar  
23 such phrase; or

24 (C) An application for a certificate of title for a motor vehicle for which a current  
25 Georgia certificate of title is marked 'salvage' pursuant to subsection (e) of Code

26 Section 40-3-36 and for which the transferee is anyone other than a ~~licensed dealer~~  
 27 licensee as defined in Code Section ~~43-48-2~~ 43-47-2.

28 (b)(1) Upon receipt of an application for a certificate of title on a salvaged or rebuilt  
 29 motor vehicle, the commissioner of public safety shall promptly conduct an initial  
 30 inspection on each such motor vehicle prior to the issuance of a certificate of title for the  
 31 motor vehicle by the state revenue commissioner. Upon receipt of an application for a  
 32 certificate of title on a recovered stolen motor vehicle which has been stripped of:

- 33 (A) Substantially all its interior parts;
- 34 (B) Engine;
- 35 (C) Transmission;
- 36 (D) All doors;
- 37 (E) Complete soft top assembly including roof mechanism;
- 38 (F) Front clip assembly (fenders, hood, and bumper); or
- 39 (G) Cab and bed of a pick-up truck,

40 the commissioner of public safety shall promptly conduct an initial inspection on each  
 41 such motor vehicle prior to the issuance of a certificate of title for the motor vehicle by  
 42 the state revenue commissioner. The initial inspection shall include, but shall not be  
 43 limited to, verification of the vehicle identification number, verification of the bills of  
 44 sale or title for the major components, verification in regard to rebuilt vehicles that the  
 45 word 'rebuilt' is permanently affixed as required by subsection (d) of this Code section,  
 46 verification that the vehicle was rebuilt in the State of Georgia, and, if the vehicle has  
 47 been repaired, verification that the motor vehicle conforms to all safety equipment  
 48 standards required by law. The commissioner of public safety shall be authorized to  
 49 charge a fee of \$100.00 for each initial inspection of each motor vehicle. In the event a  
 50 motor vehicle fails an inspection, a fee of \$100.00 shall be charged for each subsequent  
 51 reinspection. The commissioner of public safety may conduct any such initial inspection  
 52 and any required reinspections even though the motor vehicle may have been previously  
 53 inspected under this Code section.

54 (2) If, upon inspection under paragraph (1) of this subsection, it is determined that the  
 55 motor vehicle is not in full compliance with the law, the state revenue commissioner shall  
 56 refuse to issue a certificate of title until compliance is reached. The commissioner of  
 57 public safety may order additional, corrective repairs to such vehicle as a condition of  
 58 issuance of a certificate of title.

59 (c) All applications submitted pursuant to this Code section shall be accompanied by one  
 60 or more photographs of the motor vehicle in its salvaged condition before any repairs have  
 61 been made to such vehicle, which photographs shall be used by the commissioner of public  
 62 safety in his or her inspections of the vehicle pursuant to this Code section. Any person

63 who rebuilds or repairs a salvage motor vehicle shall submit an application for a certificate  
64 of title and obtain an inspection of such vehicle prior to the painting of such vehicle.

65 (d)(1)(A) Upon inspection under subsection (b) of this Code section, if it is determined  
66 that the motor vehicle has been restored to an operable condition by the replacement of  
67 two or more major component parts, a certificate of title may be issued for such motor  
68 vehicle which shall contain the word 'rebuilt' on its face in no larger than 12 point font.  
69 This requirement will indicate to all subsequent owners of the motor vehicle that such  
70 is a rebuilt motor vehicle. If any such inspection determines that the motor vehicle  
71 shall require the replacement of less than two major component parts in order to restore  
72 the motor vehicle to an operable condition, a certificate of title shall be issued for such  
73 motor vehicle which shall contain the word 'rebuilt' on its face in such manner as the  
74 state revenue commissioner shall prescribe. This requirement will indicate to all  
75 subsequent owners of the motor vehicle that such is a rebuilt motor vehicle.

76 (B) If it is determined that the motor vehicle required or shall require the replacement  
77 of two or more major component parts in order to restore the motor vehicle to an  
78 operable condition, the ~~department~~ commissioner of public safety shall cause the word  
79 'rebuilt' to be affixed to said motor vehicle at the time of inspection by the  
80 commissioner of public safety. The word 'rebuilt' shall be affixed in a clear and  
81 conspicuous manner to the door post or such other location as the commissioner of  
82 public safety may prescribe. The word 'rebuilt' shall be stamped on a certificate and  
83 shall be affixed to the motor vehicle in such manner as the commissioner of public  
84 safety may prescribe. The requirement of this subparagraph shall only apply to motor  
85 vehicles restored after November 1, 1982.

86 (2) Upon inspection by the commissioner of public safety and compliance with  
87 paragraph (2) of subsection (b) of this Code section, if it is determined that the motor  
88 vehicle does not require the replacement of two or more major components or has not had  
89 two or more major components changed, a certificate of title shall be issued by the state  
90 revenue commissioner and shall contain the word 'rebuilt' on its face.

91 (3) If, after the initial inspection, the commissioner of public safety determines that the  
92 damage is so extensive that returning such vehicle to a safe, operable condition is  
93 impossible, the salvage certificate shall be revoked and such vehicle may only be used  
94 for scrap or parts. A vehicle for which such a determination is made shall not be issued  
95 a title under any circumstances or conditions, including, but not limited to, obtaining of  
96 a surety bond.

97 (e) Any person, firm, or corporation ~~who~~ that rebuilds or repairs a motor vehicle whose  
98 current certificate of title is marked 'salvage' shall make application for and obtain a  
99 certificate of title as provided in this Code section prior to the sale or transfer of said motor

100 vehicle. If, under the laws of any other state, a vehicle has been declared to be  
101 nonrebuildable, the state revenue commissioner shall not issue any certificate of title for  
102 such vehicle and the vehicle shall not be used for any purpose except parts.

103 (f)(1) Motorcycles which are over 25 years old shall be exempt from the salvage laws  
104 of this state.

105 (2) Motor vehicles which have been altered by the installation of a glider kit shall be  
106 issued a certificate of title containing the word 'rebuilt.'

107 **SECTION 2.**

108 This Act shall become effective on July 1, 2010, and shall be applied to all applications filed  
109 on or after that date.

110 **SECTION 3.**

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