

The House Committee on Motor Vehicles offers the following substitute to HB 309:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 40 of the Official Code of Georgia Annotated, relating to
2 certificates of title, security interests, and liens, so as to change the value of a vehicle that
3 can be scrapped; to provide for procedures for notifying the Department of Revenue
4 regarding the cancellation of titles to scrap vehicles; to add falsifying a statement regarding
5 cancellation of title of a scrap vehicle to the list of acts deemed to be felonies; to provide for
6 related matters; to provide for an effective date; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 SECTION 1.

10 Chapter 3 of Title 40 of the Official Code of Georgia Annotated, relating to certificates of
11 title, security interests, and liens, is amended by revising paragraphs (2) and (3) of subsection
12 (a) of Code Section 40-3-36, relating to the cancellation of a certificate of title for scrap,
13 dismantled, or demolished vehicles, as follows:

14 "(2) Notwithstanding any other provision of this article to the contrary, if the owner or
15 authorized agent of the owner has not obtained a title in his or her name for the vehicle
16 to be transferred, or has lost the title for the vehicle to be transferred, he or she may sign
17 a statement swearing that, in addition to the foregoing conditions, the vehicle is worth
18 ~~\$750.00~~ \$850.00 or less and is at least 12 model years old. The statement described in
19 this paragraph may be used only to transfer such a vehicle to a licensed used motor
20 vehicle parts dealer under Code Section 43-47-7 or scrap metal processor under Code
21 Section 43-43-1. The department shall promulgate a form for the statement which shall
22 include, but not be limited to:

- 23 (A) A statement that the vehicle shall never be titled again; it must be dismantled or
24 scrapped;
- 25 (B) A description of the vehicle including the year, make, model, vehicle identification
26 number, and color;

- 27 (C) The name, address, and driver's license number of the owner;
- 28 (D) A certification that the owner:
- 29 (i) Never obtained a title to the vehicle in his or her name; or
- 30 (ii) Was issued a title for the vehicle, but the title was lost or stolen;
- 31 (E) A certification that the vehicle:
- 32 (i) Is worth ~~\$750.00~~ \$850.00 or less;
- 33 (ii) Is at least 12 model years old; and
- 34 (iii) Is not subject to any secured interest or lien;
- 35 (F) An acknowledgment that the owner realizes this form will be filed with the
- 36 department and that it is a felony, punishable by imprisonment for not fewer than one
- 37 nor more than three years or a fine of not less than \$1,000.00 nor more than \$5,000.00,
- 38 or both, to knowingly falsify any information on this statement;
- 39 (G) The owner's signature and the date of the transaction;
- 40 (H) The name, ~~and~~ address, ~~and~~ National Motor Vehicle Title Information System
- 41 identification number of the business acquiring the vehicle;
- 42 (I) A certification by the business that ~~\$750.00~~ \$850.00 or less was paid to acquire the
- 43 vehicle; and
- 44 (J) The business agent's signature and date along with a printed name and title if the
- 45 agent is signing on behalf of a corporation.
- 46 (3)(A) The used motor vehicle parts dealer or scrap metal processor shall mail or
- 47 otherwise deliver the statement required under paragraph (2) of this subsection to the
- 48 department within 72 hours of the completion of the transaction, requesting that the
- 49 department cancel the Georgia certificate of title and registration.
- 50 (B) Notwithstanding the requirement to mail or otherwise deliver the statement
- 51 required under paragraph (2) of this subsection to the department, the department shall
- 52 provide a mechanism for the receipt of the information required to be obtained in the
- 53 statement by electronic means, at no cost to the used motor vehicle parts dealer or scrap
- 54 metal processor, in lieu of the physical delivery of the statement, in which case the used
- 55 motor vehicle parts dealer or scrap metal processor shall maintain the original statement
- 56 for a period of not less than two years.
- 57 (C) Within 48 hours of each day's close of business, the used motor vehicle parts dealer
- 58 or scrap metal processor who purchases or receives motor vehicles for scrap or for parts
- 59 shall deliver in a format approved by the department, either by facsimile or by other
- 60 electronic means to be made available by the department by July 1, 2011, a list of all
- 61 such vehicles purchased that day for scrap or for parts. That list shall contain the
- 62 following information:
- 63 (i) The name, address, and contact information for the reporting entity;

- 64 (ii) The vehicle identification numbers of such vehicles;
65 (iii) The dates such vehicles were obtained;
66 (iv) The names of the individuals or entities from whom the vehicles were obtained,
67 for use by law enforcement personnel and appropriate governmental agencies only;
68 (v) A statement of whether the vehicles were, or will be, crushed or disposed of, or
69 offered for sale or other purposes;
70 (vi) A statement of whether the vehicle is intended for export out of the United
71 States; and
72 (vii) The National Motor Vehicle Title Information System identification number of
73 the business acquiring the vehicle.

74 There shall be no charge to either a used motor vehicle parts dealer or scrap metal
75 processor associated with providing this information to the department.

76 (D) For purposes of this subsection, the term 'motor vehicle' shall not include a vehicle
77 which has been crushed or flattened by mechanical means such that it is no longer the
78 motor vehicle as described by the certificate of title, or such that the vehicle
79 identification number is no longer visible or accessible, in which case the purchasing
80 or receiving used motor vehicle parts dealer or scrap metal processor shall verify that
81 the seller has reported the vehicles in accordance with this subsection. Such
82 verification may be in the form of a certification from the seller or contract between the
83 seller and the purchasing or receiving used motor vehicle parts dealer or scrap metal
84 processor which clearly identifies the seller by a government issued photo identification
85 card, or employer identification number, and shall be maintained for a period of not less
86 than two years.

87 (E) The information obtained by the department in accordance with this subsection
88 shall be reported to the National Motor Vehicle Title Information System, in a format
89 which will satisfy the requirement for reporting this information, in accordance with
90 rules adopted by the United States Department of Justice in 28 C.F.R. 25.56.

91 (F) The information obtained by the department in accordance with this subsection
92 shall be made available only to law enforcement agencies, and for purposes of
93 canceling certificates of title, and shall otherwise be considered to be confidential
94 business information of the respective reporting entities.

95 (G) All records required under the provisions of this Code section shall be maintained
96 for a period of two years by the reporting entity and shall include a scanned or
97 photocopied copy of the seller's or seller's representative's driver's license or state
98 issued identification card."

99

SECTION 2.

100 Said chapter is further amended by revising Code Section 40-3-90, relating to felonies
101 involving certificates of title, as follows:

102 "40-3-90.

103 A person who, with fraudulent intent:

104 (1) Alters, forges, or counterfeits a certificate of title;

105 (2) Alters or forges an assignment of a certificate of title or an assignment or release of
106 a security interest on a certificate of title or a form the commissioner prescribed;

107 (3) Has possession of or uses a certificate of title knowing it to have been altered, forged,
108 or counterfeited;

109 (4) Uses a false or fictitious name or address or makes a material false statement, or fails
110 to disclose a security interest, or conceals any other material fact in an application for a
111 certificate of title;

112 (5) Alters or forges a notice of a transaction concerning a security interest or lien
113 reflected on the certificate of title as provided by Code Section 40-3-27; or

114 (6) Knowingly falsifies any information on the statement required by paragraph (2) of
115 subsection (a) of Code Section 40-3-36; or

116 (7) Willfully violates any other provision of this chapter after having previously violated
117 the same or any other provision of this chapter and having been convicted of that act in
118 a court of competent jurisdiction

119 shall be guilty of a felony."

120

SECTION 3.

121 This Act shall become effective on July 1, 2011.

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SECTION 4.

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