

Department of Finance and Administration

Legislative Impact Statement

Bill: SB757

Bill Subtitle: TO AMEND THE REQUIRED TIME OF EXISTENCE OF MOTOR VEHICLES FOR DISMANTLING OR DISPOSAL WITHOUT TITLE; AND TO AMEND THE DEFINITION OF A MOTOR VEHICLE FOR PURPOSES OF DISPOSAL WITHOUT TITLE.

Basic Change :

Senator E. Williams

Under current law, if a motor vehicle that is to be dismantled is at least ten (10) years old, the seller may submit a bill of sale to the Office of Motor Vehicle if the title to such motor vehicle is not available. Current law states that the term "Motor Vehicle" as used in the section on dismantled vehicles does not apply to a motor vehicle if conditions of the vehicle are as follows:

1. So badly damaged or deteriorated as to be inoperable;
2. Is not equipped with parts and accessories essential to its operation;
3. Does not have a current license plate;
4. Is over ten (10) years old;
5. Is not equipped with a gas tank;
6. Is not equipped with tires; and
7. Has no value except as junk.

The bill changes the age requirement for which a bill sale may be surrendered for a vehicle to be dismantled, and changes the age requirement to which the section does not apply, from a motor vehicle at least ten (10) years old, to a vehicle that has been in existence for at least twenty-five (25) years.

Revenue Impact :

None

Taxpayer Impact :

Sellers of motor vehicles ten (10) years old that are to be dismantled could no longer submit a bill of sale, but would be required to surrender the title, of such vehicles. Such sellers would be required to submit a title on vehicles to be dismantled that have been in existence for at least 25 years.

Resources Required :

No additional resources required.

Time Required :

Adequate time is provided

Procedural Changes :

Revise form that is submitted for a motor vehicle to be dismantled.

Other Comments :

None

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Legal Analysis :

Current law allows an owner of a motor vehicle that is at least 10 years old and for which no title is available to sell the vehicle to be used for scrap, or dismantled or destroyed, by delivering a bill of sale that contains certain information in lieu of the certificate of title. Current law requires that a local law enforcement officer verify the information and forward the bill of sale to the Office of Motor Vehicle so that the title can be cancelled. This bill amends existing law to require that a motor vehicle must be at least 25 years old for the owner to be allowed to follow this process and convey by bill of sale. The bill does not change the verification and title cancellation part of the process.

Current law also sets certain conditions under which a vehicle is not considered a motor vehicle for purposes of the section, one of which is that the vehicle is more than 10 years old. The bill changes that to 25 years also.

The bill has no Emergency Clause and would therefore become effective 90 days after adjournment of the session.