

HCS HB 1284 -- SALVAGE MOTOR VEHICLES

SPONSOR: Crawford (Engler)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Transportation and Motor Vehicles by a vote of 18 to 0.

This substitute revises the definition of "salvage vehicle" to include any motor vehicle, semitrailer, or house trailer which has been damaged to the extent that the total cost of repairs to rebuild the vehicle to its condition immediately before it was damaged exceeds 75% of the fair market value of the vehicle prior to the damage.

The total cost of repairs to rebuild or reconstruct a vehicle will not include the cost of repairing, replacing, or reinstalling inflatable safety restraints, tires, sound systems, or any sales tax on parts or material to rebuild or reconstruct a vehicle. The substitute also defines "fair market value."

Salvage titles may be negotiable with one reassignment on the back of the title by registered dealers or insurance companies.

FISCAL NOTE: No impact on state funds in FY 2005, FY 2006, and FY 2007.

PROPOSERS: Supporters say that the changes are necessary to help keep insurance costs down.

Testifying for the bill were Representative Engler; Enterprise Rent-A-Car; and American Family Insurance.

OPPOSERS: There was no opposition voiced to the committee.

Robert Triplett, Legislative Analyst