

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

MTR VEHICLE/REGISTRATION. Provides for disposal of water-damaged vehicles (Item #13).

DIGEST

Proposed law provides definitions for "water-damaged vehicle" and "certificate of destruction."

Present law requires disclosure by persons who transfer ownership of vehicles with salvage or reconstructed titles.

Proposed law retains present law and provides that a disclosure shall be required by persons who transfer ownership of vehicles that were issued certificates of destruction.

Proposed law provides that whoever knowingly violates the provisions of proposed law and present law in regards to disclosure of salvage titles, certificates of destruction, or a reconstructed title shall be guilty of a misdemeanor and, upon conviction, shall be punished by imprisonment of not more than six months or by a fine of not less than \$500 nor more than \$5,000, or both. Proposed law provides for mandatory 80 hours of community service for violations.

Proposed law provides that an insurance company that acquires ownership of a water-damaged vehicle pursuant to a settlement shall apply for the certificate of destruction within 30 days of the settlement. Authorizes the Department of Public Safety and Corrections to extend the time period for an insurance company to comply with the provisions of proposed law.

Proposed law provides that each application for a certificate of destruction shall be accompanied by the fee required for an original certificate of title.

Proposed law provides that upon receiving an application for a certificate of destruction, the office of motor vehicles shall issue a certificate of destruction that is conspicuously labeled with such designation and that contains the same information as other certificates of title.

Proposed law provides that no motor vehicle for which a certificate of destruction has been issued shall be later issued a salvage or reconstructed title or otherwise titled or registered by the office of motor vehicles for use on the roads or highways of this state.

Proposed law provides that no motor vehicle which has been issued a certificate of destruction shall be resold as a retail unit, and such vehicle shall be dismantled, sold for any usable parts, or crushed.

Proposed law provides that notwithstanding present law to the contrary, a person who purchases or acquires a vehicle for which a certificate of destruction has been issued shall not be required to apply for or acquire a permit to dismantle. Proposed law provides that the certificate of destruction itself shall be sufficient for the vehicle to be dismantled, crushed, or scrapped.

Proposed law provides that after the water-damaged vehicle has been crushed or scrapped, the owner shall surrender the certificate of destruction to the office of motor vehicles with the word recycled written or stamped across its face, and no certificate of title of any type shall be issued again for such vehicle.

Proposed law provides that the Dept. of Public Safety and Corrections may adopt rules and regulations necessary to carry out the provisions of proposed law.

Proposed law provides that whoever violates any provision of proposed law shall be guilty of a misdemeanor and upon conviction shall for each offense be punished by imprisonment of not more than six months or by fine not less than \$500 nor more than \$5,000, or both.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 32:706.1; adds R.S. 32:702(14) and (15) and 707.3)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Commerce to the original bill.

1. Changes the provision that requires vehicles issued a certificate of destruction to be crushed to provide that such vehicles shall be dismantled, sold for parts, and crushed.
2. Deletes the provision that states that the exterior sheet metal parts of the vehicle may be sold as used parts.

House Floor Amendments to the engrossed bill.

1. Provides for penalties, including mandatory community service.
2. Deletes the requirement that a person who acquires ownership of a water-damaged vehicle, other than from an insurance settlement, apply for a certificate of destruction no later than 30 days after acquisition.
3. Clarifies that usable parts from water-damaged vehicles may be sold.
4. Provides that a certificate of destruction shall be sufficient for a water-damaged vehicle to be dismantled, crushed, and scrapped.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection and International Affairs to the reengrossed bill.

1. Exempts vehicles in excess of 20,000 pounds gross vehicle weight.
2. Removes an individual owner of a water-damaged vehicle from the provisions of proposed law.
3. Deletes provisions which would require an insurance company to send the license plate and registration to the office of motor vehicles with an application for a certificate of destruction.
4. Authorizes the Department of Public Safety and Corrections to promulgate rules or regulations to extend the time period for an insurance company to comply with the provisions of proposed law.
5. Changes requirement that such water-damaged vehicles be dismantled, sold for any usable parts, and crushed to requirement that such vehicles be dismantled, sold for usable parts, or crushed.