

2022 Regular Session

HOUSE BILL NO. 790

BY REPRESENTATIVE HOLLIS

MOTOR VEHICLES: Provides relative to certificate of ownership and salvage title for motor vehicles declared to be a total loss

1 AN ACT

2 To amend and reenact R.S. 32:707(I)(1)(a) and (b)(iv), relative to the application for
3 certificates of ownership and salvage title for total loss motor vehicles; to prohibit
4 notarization requirements relative to documents supporting an application for
5 certificate of ownership or salvage title; to provide requirements for lien satisfaction;
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 32:707(I)(1)(a) and (b)(iv) are hereby amended and reenacted to read
9 as follows:

10 §707. Application for certificates of title; exception; salvage title; antique vehicles;
11 reconstructed title

12 * * *

13 I.(1)(a) When, as the result of an insurance settlement, a motor vehicle is
14 declared to be a "total loss", as defined in R.S. 32:702, the insurance company, its
15 authorized agent, or the vehicle owner shall, within thirty days from the settlement
16 of the property damages claim, send the certificate of title, properly endorsed, to the
17 office of motor vehicles along with an application for a salvage title in the name of
18 the insurance company, or its authorized agent, or the vehicle owner.

19 Notwithstanding any provision of law to the contrary, any document, including an
20 original or certified copy of a power of attorney, supporting an application for a

1 certificate of ownership or certificate of salvage title by an insurer or an agent of an
2 insurer shall not require the signature or electronic signature of the owner who has
3 received or is to receive a total loss settlement to be notarized.

4 (b) If an insurance company or its authorized agent is unable to obtain the
5 certificate of title from the owner or lienholder within thirty days from the settlement
6 of the property damages claim, the insurance company or its authorized agent may
7 submit an application for a salvage title and signed under penalty of perjury, which
8 application shall be accompanied by all of the following:

9 * * *

10 (iv) A release of lien executed by each current holder of a security interest
11 in the motor vehicle. Alternatively, if after satisfaction of all liens, any lien not
12 released within seven days of satisfaction, an insurance company or its authorized
13 agent may submit a copy of a letter of guarantee from each current holder of a
14 security interest with proof of the payoff amount and payment. If payment is made
15 by check, proof of payment shall consist of a copy of the front and back of the
16 endorsed check. If payment is made by electronic transfer, proof of payment shall
17 consist of evidence of the payment transaction to the account of the payer, including
18 submission of a screenshot of payment.

19 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 790 Original

2022 Regular Session

Hollis

Abstract: Prohibits any document supporting an application for a certificate of ownership or salvage title to be signed and notarized by the owner.

Present law provides the requirements for an application for certificates of title, including salvage title.

Present law specifies when, as the result of an insurance settlement, a motor vehicle is declared to be a "total loss", as defined in present law, the insurance company, its authorized agent, or the vehicle owner shall, within 30 days from the settlement of the property damages claim, send the certificate of title, properly endorsed, to the office of motor vehicles

along with an application for a salvage title in the name of the insurance company, or its authorized agent, or the vehicle owner.

Proposed law retains present law and prohibits any document, including an original or certified copy of a power of attorney, supporting an application for a certificate of ownership or certificate of salvage title by an insurer or an agent of an insurer to require the signature or electronic signature of the owner who has received or is to receive a total loss settlement to be notarized.

Present law provides the requirements for when an insurance company or its authorized agent may submit an application for a salvage title and signed under penalty of perjury.

Proposed law retains present law and provides the requirements for alternatives when any lien has not been released within seven days of satisfaction. Further provides the requirements for proof of payment should an insurance company or its authorized agent submit a copy of a letter of guarantee from a current holder of a security interest resulting from the lien not being released within seven days of satisfaction.

(Amends R.S. 32:707(I)(1)(a) and (b)(iv))