

GREEN SHEET REDIGEST

HB 790

2022 Regular Session

Hollis

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

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DIGEST

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.

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 adds alternative requirements when a lien has not been released after 60 days from the date of loss.

Proposed law specifies an insurance company or its authorized agent may submit proof of full payment, a copy of the most recent letter of guarantee from each holder of a lien that has not been released indicating the payoff amount, and evidence of two attempts to contact the lienholder.

Proposed law specifies if payment is made by check, proof of payment must consist of the front and back of the paid check listing all endorsements of the named payees. Further specifies the evidence needed for electronic transfer payments, including a screenshot of payment submissions along with a certification the payment was not returned.

Proposed law provides the insurance company shall sign a hold harmless affidavit on an office of motor vehicles approved form.

Proposed law further provides the office of motor vehicles may charge a fee of \$100 or less.

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill:

1. Make technical changes.
2. Remove a provision that prohibited the notarized signature or electronic signature of the owner who has received or is to receive a total loss settlement relative to any document, including an original or certified copy of a power of attorney, supporting an application for certificate of ownership or certificate of salvage title by an insurer or an agent of an insurer.
3. Modify proof of payment language when a lien has not been released in seven days to authorize the insurer or its agent to provide proof of full payment and a copy of the most recent letter of guarantee from the lien holder indicating the payoff amount.

4. Clarify that payments made by check must consist of a copy of the front and back of the paid check listing all endorsements of the named payees.
5. Add a requirement that any screenshot of payment submission certify that the payoff funds were not returned by the lienholder.

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the engrossed bill

1. Changes the release date of liens from within 7 days of satisfaction to after 60 days from the date of loss.
2. Adds evidence of two attempts to contact the leinholder to the list of supplemental documents to be submitted with the application for title.
3. Adds a requirement for the insurance company to sign a hold harmless agreement.
4. Adds authority for the office of motor vehicles to charge a fee of no more than \$100 for each transaction.