



Sen. Chuck Weaver

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LRB101 06519 TAE 58346 a

1 AMENDMENT TO SENATE BILL 945

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 945 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by  
5 changing Sections 3-117.3 and 3-118 as follows:

6 (625 ILCS 5/3-117.3)

7 Sec. 3-117.3. Junking or salvage certificates; insurance  
8 company; salvage dealer.

9 (a) For purposes of this Section, "salvage dealer" means a  
10 licensed dealer who primarily sells salvage vehicles on behalf  
11 of insurance companies and obtains a "salvage dealer"  
12 designation through the used dealer application process under  
13 Section 5-102 of this Code.

14 (b) Notwithstanding any other provision of law to the  
15 contrary, an insurance company or salvage dealer may, after  
16 completing a record search for any owner of a vehicle or a

1     lienholder of record, obtain free of any lien a junking  
2     certificate or salvage certificate in the insurance company's  
3     name by submitting an application for a junking certificate or  
4     salvage certificate to the Secretary of State. The application  
5     shall include, but is not limited to, proof of full payment, in  
6     whole or in part, to the vehicle owner or, if applicable, any  
7     lienholder of record and proof of notice to the vehicle owner  
8     and any lienholder via certified mail or other proof of service  
9     that a transfer of title shall occur no earlier than 30 days  
10    after the date the notice is sent. Upon approval of the  
11    application, the Secretary shall issue to the insurance company  
12    a junking certificate or salvage certificate free of any lien  
13    in the insurance company's name.

14       ~~An insurance company or salvage dealer shall not sell a~~  
15    ~~salvage vehicle with a title obtained under this subsection (b)~~  
16    ~~to anyone not authorized to buy salvage vehicles under this~~  
17    ~~Code.~~

18       This subsection (b) shall apply only to a motor vehicle  
19    titled in this State that has been through an insurance claims  
20    process and the owner of the vehicle or lienholder, if  
21    applicable, has received compensation in exchange for  
22    relinquishing the ownership rights of the vehicle to an  
23    insurance company licensed under the Illinois Insurance Code  
24    and the insurance company is unable to obtain an endorsed  
25    certificate of title within 30 days of payment to the owner or  
26    lienholder.

1 (c) Notwithstanding any other provision of law to the  
2 contrary, a salvage dealer may, after completing a record  
3 search for any owner of a vehicle or a lienholder of record,  
4 obtain free of any lien a junking certificate or salvage  
5 certificate in his or her name by submitting an application for  
6 a junking certificate or a salvage certificate to the Secretary  
7 of State which shall include, but is not limited to, proof of  
8 notice via certified mail or other proof of service to the  
9 vehicle owner or any lienholder that a transfer of title shall  
10 occur no earlier than 30 days after the date the notice is  
11 sent. The notice shall inform the vehicle owner or lienholder  
12 that upon payment of any applicable charges, the vehicle may be  
13 removed from the salvage dealer's facility. Upon approval of  
14 the application, the Secretary shall issue to the salvage  
15 dealer a junking certificate or salvage certificate free of any  
16 lien in the salvage dealer's name.

17 ~~A salvage dealer shall not sell a salvage vehicle with a~~  
18 ~~title obtained under this subsection (c) to anyone not~~  
19 ~~authorized to buy salvage vehicles under this Code.~~

20 This subsection (c) shall apply only to a motor vehicle  
21 titled in this State and in possession of a salvage dealer by  
22 request of an insurance company licensed under the Illinois  
23 Insurance Code to take possession of the motor vehicle subject  
24 to an insurance claim and the insurance company denies coverage  
25 of the vehicle or does not take ownership of the vehicle within  
26 45 days of possession by the salvage dealer.

1           (d) A vehicle owner or lienholder may send notice of  
2 dispute of the transfer of title under this Section within 30  
3 days after the required notice is sent by the insurance company  
4 or salvage dealer. If a dispute between a vehicle owner or  
5 lienholder and an insurance company or salvage dealer cannot be  
6 resolved within 45 days after the required notice to the  
7 vehicle owner or lienholder is sent, the vehicle owner or  
8 lienholder, within 90 days after sending notice of dispute,  
9 shall petition a court of competent jurisdiction for an order  
10 to determine ownership of the vehicle and shall notify the  
11 Secretary of State of the filing of the petition. If a vehicle  
12 owner or lienholder does not file a petition within the 90-day  
13 period, the title to the vehicle shall be issued to the  
14 insurance company or salvage dealer under this Section.

15           (e) Any person who without authority acquires, sells,  
16 exchanges, gives away, transfers, or destroys or offers to  
17 acquire, sell, exchange, give away, transfer, or destroy the  
18 certificate of title to any vehicle which is a junk or salvage  
19 vehicle shall be guilty of a Class 3 felony.

20           (f) Any person who knowingly fails to surrender to the  
21 Secretary of State a certificate of title, salvage certificate,  
22 or certificate of purchase is guilty of a Class A misdemeanor  
23 for a first offense and a Class 4 felony for a second and  
24 subsequent offense.

25           (g) Any vehicle which is salvage or junk may not be driven  
26 or operated on roads and highways within this State. A

1 violation of this subsection (g) is a Class A misdemeanor. A  
2 salvage vehicle displaying valid special plates issued under  
3 subsection (b) of Section 3-601 of this Code, which is being  
4 driven to or from an inspection conducted under Section 3-308  
5 of this Code, is exempt from the provisions of this subsection  
6 (g). A salvage vehicle for which a short term permit has been  
7 issued under Section 3-307 of this Code is exempt from the  
8 provisions of this subsection (g) for the duration of the  
9 permit.

10 (h) The Secretary of State may adopt any rules necessary to  
11 implement this Section.

12 (Source: P.A. 100-104, eff. 11-9-17.)

13 (625 ILCS 5/3-118) (from Ch. 95 1/2, par. 3-118)

14 Sec. 3-118. Application for salvage or junking  
15 certificate; contents.

16 (a) An application for a salvage certificate or junking  
17 certificate shall be made upon the forms prescribed by the  
18 Secretary of State and contain:

- 19 1. The name and address of the owner;
- 20 2. A description of the vehicle including, so far as  
21 the following data exists: its make, year-model,  
22 identifying number, type of body, whether new or used;
- 23 3. The date of purchase by applicant; and
- 24 4. Any further information reasonably required by the  
25 Secretary of State.

1 (b) The application for salvage certificate must also  
2 contain the current odometer reading and that the stated  
3 odometer reading is one of the following: actual mileage, not  
4 the actual mileage or mileage is in excess of its mechanical  
5 limits.

6 (b-5) Each application for a salvage certificate for a  
7 motor vehicle shall be verified by the National Motor Vehicle  
8 Title Information System (NMVTIS) for a vehicle history report  
9 prior to the Secretary issuing a salvage certificate.

10 (c) A salvage certificate or a ~~may be assigned to any~~  
11 ~~person licensed under this Act as a rebuilder, automotive parts~~  
12 ~~recycler, or scrap processor, or to an out-of-state salvage~~  
13 ~~vehicle buyer. A salvage certificate for a vehicle that has~~  
14 ~~come from a police impoundment may be assigned to a municipal~~  
15 ~~fire department. A junking certificate may be assigned to~~  
16 anyone. The provisions for reassignment by dealers under  
17 paragraph (a) of Section 3-113 shall apply to salvage  
18 certificates, except as provided in Section 3-117.2. ~~A salvage~~  
19 ~~certificate may be reassigned to one other person to whom a~~  
20 ~~salvage certificate may be assigned pursuant to this Section.~~

21 (Source: P.A. 99-414, eff. 8-20-15.)

22 (625 ILCS 5/5-302 rep.)

23 (625 ILCS 5/5-702 rep.)

24 Section 10. The Illinois Vehicle Code is amended by  
25 repealing Sections 5-302 and 5-702."