

1 AN ACT concerning transportation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Vehicle Code is amended by changing
5 Sections 3-117.1 and 5-104.3 and by adding Section 3-117.3 as
6 follows:

7 (625 ILCS 5/3-117.1) (from Ch. 95 1/2, par. 3-117.1)

8 (Text of Section before amendment by P.A. 99-932)

9 Sec. 3-117.1. When junking certificates or salvage
10 certificates must be obtained.

11 (a) Except as provided in Chapter 4 and Section 3-117.3 of
12 this Code, a person who possesses a junk vehicle shall within
13 15 days cause the certificate of title, salvage certificate,
14 certificate of purchase, or a similarly acceptable out of state
15 document of ownership to be surrendered to the Secretary of
16 State along with an application for a junking certificate,
17 except as provided in Section 3-117.2, whereupon the Secretary
18 of State shall issue to such a person a junking certificate,
19 which shall authorize the holder thereof to possess, transport,
20 or, by an endorsement, transfer ownership in such junked
21 vehicle, and a certificate of title shall not again be issued
22 for such vehicle.

23 A licensee who possesses a junk vehicle and a Certificate

1 of Title, Salvage Certificate, Certificate of Purchase, or a
2 similarly acceptable out-of-state document of ownership for
3 such junk vehicle, may transport the junk vehicle to another
4 licensee prior to applying for or obtaining a junking
5 certificate, by executing a uniform invoice. The licensee
6 transferor shall furnish a copy of the uniform invoice to the
7 licensee transferee at the time of transfer. In any case, the
8 licensee transferor shall apply for a junking certificate in
9 conformance with Section 3-117.1 of this Chapter. The following
10 information shall be contained on a uniform invoice:

11 (1) The business name, address and dealer license
12 number of the person disposing of the vehicle, junk vehicle
13 or vehicle cowl;

14 (2) The name and address of the person acquiring the
15 vehicle, junk vehicle or vehicle cowl, and if that person
16 is a dealer, the Illinois or out-of-state dealer license
17 number of that dealer;

18 (3) The date of the disposition of the vehicle, junk
19 vehicle or vehicle cowl;

20 (4) The year, make, model, color and description of
21 each vehicle, junk vehicle or vehicle cowl disposed of by
22 such person;

23 (5) The manufacturer's vehicle identification number,
24 Secretary of State identification number or Illinois
25 Department of State Police number, for each vehicle, junk
26 vehicle or vehicle cowl part disposed of by such person;

1 (6) The printed name and legible signature of the
2 person or agent disposing of the vehicle, junk vehicle or
3 vehicle cowl; and

4 (7) The printed name and legible signature of the
5 person accepting delivery of the vehicle, junk vehicle or
6 vehicle cowl.

7 The Secretary of State may certify a junking manifest in a
8 form prescribed by the Secretary of State that reflects those
9 vehicles for which junking certificates have been applied or
10 issued. A junking manifest may be issued to any person and it
11 shall constitute evidence of ownership for the vehicle listed
12 upon it. A junking manifest may be transferred only to a person
13 licensed under Section 5-301 of this Code as a scrap processor.
14 A junking manifest will allow the transportation of those
15 vehicles to a scrap processor prior to receiving the junk
16 certificate from the Secretary of State.

17 (b) An application for a salvage certificate shall be
18 submitted to the Secretary of State in any of the following
19 situations:

20 (1) When an insurance company makes a payment of
21 damages on a total loss claim for a vehicle, the insurance
22 company shall be deemed to be the owner of such vehicle and
23 the vehicle shall be considered to be salvage except that
24 ownership of (i) a vehicle that has incurred only hail
25 damage that does not affect the operational safety of the
26 vehicle or (ii) any vehicle 9 model years of age or older

1 may, by agreement between the registered owner and the
2 insurance company, be retained by the registered owner of
3 such vehicle. The insurance company shall promptly deliver
4 or mail within 20 days the certificate of title along with
5 proper application and fee to the Secretary of State, and a
6 salvage certificate shall be issued in the name of the
7 insurance company. Notwithstanding the foregoing, an
8 insurer making payment of damages on a total loss claim for
9 the theft of a vehicle shall not be required to apply for a
10 salvage certificate unless the vehicle is recovered and has
11 incurred damage that initially would have caused the
12 vehicle to be declared a total loss by the insurer.

13 (1.1) When a vehicle of a self-insured company is to be
14 sold in the State of Illinois and has sustained damaged by
15 collision, fire, theft, rust corrosion, or other means so
16 that the self-insured company determines the vehicle to be
17 a total loss, or if the cost of repairing the damage,
18 including labor, would be greater than 50% of its fair
19 market value without that damage, the vehicle shall be
20 considered salvage. The self-insured company shall
21 promptly deliver the certificate of title along with proper
22 application and fee to the Secretary of State, and a
23 salvage certificate shall be issued in the name of the
24 self-insured company. A self-insured company making
25 payment of damages on a total loss claim for the theft of a
26 vehicle may exchange the salvage certificate for a

1 certificate of title if the vehicle is recovered without
2 damage. In such a situation, the self-insured shall fill
3 out and sign a form prescribed by the Secretary of State
4 which contains an affirmation under penalty of perjury that
5 the vehicle was recovered without damage and the Secretary
6 of State may, by rule, require photographs to be submitted.

7 (2) When a vehicle the ownership of which has been
8 transferred to any person through a certificate of purchase
9 from acquisition of the vehicle at an auction, other
10 dispositions as set forth in Sections 4-208 and 4-209 of
11 this Code, a lien arising under Section 18a-501 of this
12 Code, or a public sale under the Abandoned Mobile Home Act
13 shall be deemed salvage or junk at the option of the
14 purchaser. The person acquiring such vehicle in such manner
15 shall promptly deliver or mail, within 20 days after the
16 acquisition of the vehicle, the certificate of purchase,
17 the proper application and fee, and, if the vehicle is an
18 abandoned mobile home under the Abandoned Mobile Home Act,
19 a certification from a local law enforcement agency that
20 the vehicle was purchased or acquired at a public sale
21 under the Abandoned Mobile Home Act to the Secretary of
22 State and a salvage certificate or junking certificate
23 shall be issued in the name of that person. The salvage
24 certificate or junking certificate issued by the Secretary
25 of State under this Section shall be free of any lien that
26 existed against the vehicle prior to the time the vehicle

1 was acquired by the applicant under this Code.

2 (3) A vehicle which has been repossessed by a
3 lienholder shall be considered to be salvage only when the
4 repossessed vehicle, on the date of repossession by the
5 lienholder, has sustained damage by collision, fire,
6 theft, rust corrosion, or other means so that the cost of
7 repairing such damage, including labor, would be greater
8 than 33 1/3% of its fair market value without such damage.
9 If the lienholder determines that such vehicle is damaged
10 in excess of 33 1/3% of such fair market value, the
11 lienholder shall, before sale, transfer or assignment of
12 the vehicle, make application for a salvage certificate,
13 and shall submit with such application the proper fee and
14 evidence of possession. If the facts required to be shown
15 in subsection (f) of Section 3-114 are satisfied, the
16 Secretary of State shall issue a salvage certificate in the
17 name of the lienholder making the application. In any case
18 wherein the vehicle repossessed is not damaged in excess of
19 33 1/3% of its fair market value, the lienholder shall
20 comply with the requirements of subsections (f), (f-5), and
21 (f-10) of Section 3-114, except that the affidavit of
22 repossession made by or on behalf of the lienholder shall
23 also contain an affirmation under penalty of perjury that
24 the vehicle on the date of sale is not damaged in excess of
25 33 1/3% of its fair market value. If the facts required to
26 be shown in subsection (f) of Section 3-114 are satisfied,

1 the Secretary of State shall issue a certificate of title
2 as set forth in Section 3-116 of this Code. The Secretary
3 of State may by rule or regulation require photographs to
4 be submitted.

5 (4) A vehicle which is a part of a fleet of more than 5
6 commercial vehicles registered in this State or any other
7 state or registered proportionately among several states
8 shall be considered to be salvage when such vehicle has
9 sustained damage by collision, fire, theft, rust,
10 corrosion or similar means so that the cost of repairing
11 such damage, including labor, would be greater than 33 1/3%
12 of the fair market value of the vehicle without such
13 damage. If the owner of a fleet vehicle desires to sell,
14 transfer, or assign his interest in such vehicle to a
15 person within this State other than an insurance company
16 licensed to do business within this State, and the owner
17 determines that such vehicle, at the time of the proposed
18 sale, transfer or assignment is damaged in excess of 33
19 1/3% of its fair market value, the owner shall, before such
20 sale, transfer or assignment, make application for a
21 salvage certificate. The application shall contain with it
22 evidence of possession of the vehicle. If the fleet vehicle
23 at the time of its sale, transfer, or assignment is not
24 damaged in excess of 33 1/3% of its fair market value, the
25 owner shall so state in a written affirmation on a form
26 prescribed by the Secretary of State by rule or regulation.

1 The Secretary of State may by rule or regulation require
2 photographs to be submitted. Upon sale, transfer or
3 assignment of the fleet vehicle the owner shall mail the
4 affirmation to the Secretary of State.

5 (5) A vehicle that has been submerged in water to the
6 point that rising water has reached over the door sill and
7 has entered the passenger or trunk compartment is a "flood
8 vehicle". A flood vehicle shall be considered to be salvage
9 only if the vehicle has sustained damage so that the cost
10 of repairing the damage, including labor, would be greater
11 than 33 1/3% of the fair market value of the vehicle
12 without that damage. The salvage certificate issued under
13 this Section shall indicate the word "flood", and the word
14 "flood" shall be conspicuously entered on subsequent
15 titles for the vehicle. A person who possesses or acquires
16 a flood vehicle that is not damaged in excess of 33 1/3% of
17 its fair market value shall make application for title in
18 accordance with Section 3-116 of this Code, designating the
19 vehicle as "flood" in a manner prescribed by the Secretary
20 of State. The certificate of title issued shall indicate
21 the word "flood", and the word "flood" shall be
22 conspicuously entered on subsequent titles for the
23 vehicle.

24 (6) When any licensed rebuilder, repairer, new or used
25 vehicle dealer, or remittance agent has submitted an
26 application for title to a vehicle (other than an

1 application for title to a rebuilt vehicle) that he or she
2 knows or reasonably should have known to have sustained
3 damages in excess of 33 1/3% of the vehicle's fair market
4 value without that damage; provided, however, that any
5 application for a salvage certificate for a vehicle
6 recovered from theft and acquired from an insurance company
7 shall be made as required by paragraph (1) of this
8 subsection (b).

9 (c) Any person who without authority acquires, sells,
10 exchanges, gives away, transfers or destroys or offers to
11 acquire, sell, exchange, give away, transfer or destroy the
12 certificate of title to any vehicle which is a junk or salvage
13 vehicle shall be guilty of a Class 3 felony.

14 (d) Any person who knowingly fails to surrender to the
15 Secretary of State a certificate of title, salvage certificate,
16 certificate of purchase or a similarly acceptable out-of-state
17 document of ownership as required under the provisions of this
18 Section is guilty of a Class A misdemeanor for a first offense
19 and a Class 4 felony for a subsequent offense; except that a
20 person licensed under this Code who violates paragraph (5) of
21 subsection (b) of this Section is guilty of a business offense
22 and shall be fined not less than \$1,000 nor more than \$5,000
23 for a first offense and is guilty of a Class 4 felony for a
24 second or subsequent violation.

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

9 (Source: P.A. 97-832, eff. 7-20-12.)

10 (Text of Section after amendment by P.A. 99-932)

11 Sec. 3-117.1. When junking certificates or salvage
12 certificates must be obtained.

13 (a) Except as provided in Chapter 4 and Section 3-117.3 of
14 this Code, a person who possesses a junk vehicle shall within
15 15 days cause the certificate of title, salvage certificate,
16 certificate of purchase, or a similarly acceptable out of state
17 document of ownership to be surrendered to the Secretary of
18 State along with an application for a junking certificate,
19 except as provided in Section 3-117.2, whereupon the Secretary
20 of State shall issue to such a person a junking certificate,
21 which shall authorize the holder thereof to possess, transport,
22 or, by an endorsement, transfer ownership in such junked
23 vehicle, and a certificate of title shall not again be issued
24 for such vehicle.

25 A licensee who possesses a junk vehicle and a Certificate

1 of Title, Salvage Certificate, Certificate of Purchase, or a
2 similarly acceptable out-of-state document of ownership for
3 such junk vehicle, may transport the junk vehicle to another
4 licensee prior to applying for or obtaining a junking
5 certificate, by executing a uniform invoice. The licensee
6 transferor shall furnish a copy of the uniform invoice to the
7 licensee transferee at the time of transfer. In any case, the
8 licensee transferor shall apply for a junking certificate in
9 conformance with Section 3-117.1 of this Chapter. The following
10 information shall be contained on a uniform invoice:

11 (1) The business name, address and dealer license
12 number of the person disposing of the vehicle, junk vehicle
13 or vehicle cowl;

14 (2) The name and address of the person acquiring the
15 vehicle, junk vehicle or vehicle cowl, and if that person
16 is a dealer, the Illinois or out-of-state dealer license
17 number of that dealer;

18 (3) The date of the disposition of the vehicle, junk
19 vehicle or vehicle cowl;

20 (4) The year, make, model, color and description of
21 each vehicle, junk vehicle or vehicle cowl disposed of by
22 such person;

23 (5) The manufacturer's vehicle identification number,
24 Secretary of State identification number or Illinois
25 Department of State Police number, for each vehicle, junk
26 vehicle or vehicle cowl part disposed of by such person;

1 (6) The printed name and legible signature of the
2 person or agent disposing of the vehicle, junk vehicle or
3 vehicle cowl; and

4 (7) The printed name and legible signature of the
5 person accepting delivery of the vehicle, junk vehicle or
6 vehicle cowl.

7 The Secretary of State may certify a junking manifest in a
8 form prescribed by the Secretary of State that reflects those
9 vehicles for which junking certificates have been applied or
10 issued. A junking manifest may be issued to any person and it
11 shall constitute evidence of ownership for the vehicle listed
12 upon it. A junking manifest may be transferred only to a person
13 licensed under Section 5-301 of this Code as a scrap processor.
14 A junking manifest will allow the transportation of those
15 vehicles to a scrap processor prior to receiving the junk
16 certificate from the Secretary of State.

17 (b) An application for a salvage certificate shall be
18 submitted to the Secretary of State in any of the following
19 situations:

20 (1) When an insurance company makes a payment of
21 damages on a total loss claim for a vehicle, the insurance
22 company shall be deemed to be the owner of such vehicle and
23 the vehicle shall be considered to be salvage except that
24 ownership of (i) a vehicle that has incurred only hail
25 damage that does not affect the operational safety of the
26 vehicle or (ii) any vehicle 9 model years of age or older

1 may, by agreement between the registered owner and the
2 insurance company, be retained by the registered owner of
3 such vehicle. The insurance company shall promptly deliver
4 or mail within 20 days the certificate of title along with
5 proper application and fee to the Secretary of State, and a
6 salvage certificate shall be issued in the name of the
7 insurance company. Notwithstanding the foregoing, an
8 insurer making payment of damages on a total loss claim for
9 the theft of a vehicle shall not be required to apply for a
10 salvage certificate unless the vehicle is recovered and has
11 incurred damage that initially would have caused the
12 vehicle to be declared a total loss by the insurer.

13 (1.1) When a vehicle of a self-insured company is to be
14 sold in the State of Illinois and has sustained damaged by
15 collision, fire, theft, rust corrosion, or other means so
16 that the self-insured company determines the vehicle to be
17 a total loss, or if the cost of repairing the damage,
18 including labor, would be greater than 70% of its fair
19 market value without that damage, the vehicle shall be
20 considered salvage. The self-insured company shall
21 promptly deliver the certificate of title along with proper
22 application and fee to the Secretary of State, and a
23 salvage certificate shall be issued in the name of the
24 self-insured company. A self-insured company making
25 payment of damages on a total loss claim for the theft of a
26 vehicle may exchange the salvage certificate for a

1 certificate of title if the vehicle is recovered without
2 damage. In such a situation, the self-insured shall fill
3 out and sign a form prescribed by the Secretary of State
4 which contains an affirmation under penalty of perjury that
5 the vehicle was recovered without damage and the Secretary
6 of State may, by rule, require photographs to be submitted.

7 (2) When a vehicle the ownership of which has been
8 transferred to any person through a certificate of purchase
9 from acquisition of the vehicle at an auction, other
10 dispositions as set forth in Sections 4-208 and 4-209 of
11 this Code, a lien arising under Section 18a-501 of this
12 Code, or a public sale under the Abandoned Mobile Home Act
13 shall be deemed salvage or junk at the option of the
14 purchaser. The person acquiring such vehicle in such manner
15 shall promptly deliver or mail, within 20 days after the
16 acquisition of the vehicle, the certificate of purchase,
17 the proper application and fee, and, if the vehicle is an
18 abandoned mobile home under the Abandoned Mobile Home Act,
19 a certification from a local law enforcement agency that
20 the vehicle was purchased or acquired at a public sale
21 under the Abandoned Mobile Home Act to the Secretary of
22 State and a salvage certificate or junking certificate
23 shall be issued in the name of that person. The salvage
24 certificate or junking certificate issued by the Secretary
25 of State under this Section shall be free of any lien that
26 existed against the vehicle prior to the time the vehicle

1 was acquired by the applicant under this Code.

2 (3) A vehicle which has been repossessed by a
3 lienholder shall be considered to be salvage only when the
4 repossessed vehicle, on the date of repossession by the
5 lienholder, has sustained damage by collision, fire,
6 theft, rust corrosion, or other means so that the cost of
7 repairing such damage, including labor, would be greater
8 than 33 1/3% of its fair market value without such damage.
9 If the lienholder determines that such vehicle is damaged
10 in excess of 33 1/3% of such fair market value, the
11 lienholder shall, before sale, transfer or assignment of
12 the vehicle, make application for a salvage certificate,
13 and shall submit with such application the proper fee and
14 evidence of possession. If the facts required to be shown
15 in subsection (f) of Section 3-114 are satisfied, the
16 Secretary of State shall issue a salvage certificate in the
17 name of the lienholder making the application. In any case
18 wherein the vehicle repossessed is not damaged in excess of
19 33 1/3% of its fair market value, the lienholder shall
20 comply with the requirements of subsections (f), (f-5), and
21 (f-10) of Section 3-114, except that the affidavit of
22 repossession made by or on behalf of the lienholder shall
23 also contain an affirmation under penalty of perjury that
24 the vehicle on the date of sale is not damaged in excess of
25 33 1/3% of its fair market value. If the facts required to
26 be shown in subsection (f) of Section 3-114 are satisfied,

1 the Secretary of State shall issue a certificate of title
2 as set forth in Section 3-116 of this Code. The Secretary
3 of State may by rule or regulation require photographs to
4 be submitted.

5 (4) A vehicle which is a part of a fleet of more than 5
6 commercial vehicles registered in this State or any other
7 state or registered proportionately among several states
8 shall be considered to be salvage when such vehicle has
9 sustained damage by collision, fire, theft, rust,
10 corrosion or similar means so that the cost of repairing
11 such damage, including labor, would be greater than 33 1/3%
12 of the fair market value of the vehicle without such
13 damage. If the owner of a fleet vehicle desires to sell,
14 transfer, or assign his interest in such vehicle to a
15 person within this State other than an insurance company
16 licensed to do business within this State, and the owner
17 determines that such vehicle, at the time of the proposed
18 sale, transfer or assignment is damaged in excess of 33
19 1/3% of its fair market value, the owner shall, before such
20 sale, transfer or assignment, make application for a
21 salvage certificate. The application shall contain with it
22 evidence of possession of the vehicle. If the fleet vehicle
23 at the time of its sale, transfer, or assignment is not
24 damaged in excess of 33 1/3% of its fair market value, the
25 owner shall so state in a written affirmation on a form
26 prescribed by the Secretary of State by rule or regulation.

1 The Secretary of State may by rule or regulation require
2 photographs to be submitted. Upon sale, transfer or
3 assignment of the fleet vehicle the owner shall mail the
4 affirmation to the Secretary of State.

5 (5) A vehicle that has been submerged in water to the
6 point that rising water has reached over the door sill and
7 has entered the passenger or trunk compartment is a "flood
8 vehicle". A flood vehicle shall be considered to be salvage
9 only if the vehicle has sustained damage so that the cost
10 of repairing the damage, including labor, would be greater
11 than 33 1/3% of the fair market value of the vehicle
12 without that damage. The salvage certificate issued under
13 this Section shall indicate the word "flood", and the word
14 "flood" shall be conspicuously entered on subsequent
15 titles for the vehicle. A person who possesses or acquires
16 a flood vehicle that is not damaged in excess of 33 1/3% of
17 its fair market value shall make application for title in
18 accordance with Section 3-116 of this Code, designating the
19 vehicle as "flood" in a manner prescribed by the Secretary
20 of State. The certificate of title issued shall indicate
21 the word "flood", and the word "flood" shall be
22 conspicuously entered on subsequent titles for the
23 vehicle.

24 (6) When any licensed rebuilder, repairer, new or used
25 vehicle dealer, or remittance agent has submitted an
26 application for title to a vehicle (other than an

1 application for title to a rebuilt vehicle) that he or she
2 knows or reasonably should have known to have sustained
3 damages in excess of 33 1/3% of the vehicle's fair market
4 value without that damage; provided, however, that any
5 application for a salvage certificate for a vehicle
6 recovered from theft and acquired from an insurance company
7 shall be made as required by paragraph (1) of this
8 subsection (b).

9 (c) Any person who without authority acquires, sells,
10 exchanges, gives away, transfers or destroys or offers to
11 acquire, sell, exchange, give away, transfer or destroy the
12 certificate of title to any vehicle which is a junk or salvage
13 vehicle shall be guilty of a Class 3 felony.

14 (d) Any person who knowingly fails to surrender to the
15 Secretary of State a certificate of title, salvage certificate,
16 certificate of purchase or a similarly acceptable out-of-state
17 document of ownership as required under the provisions of this
18 Section is guilty of a Class A misdemeanor for a first offense
19 and a Class 4 felony for a subsequent offense; except that a
20 person licensed under this Code who violates paragraph (5) of
21 subsection (b) of this Section is guilty of a business offense
22 and shall be fined not less than \$1,000 nor more than \$5,000
23 for a first offense and is guilty of a Class 4 felony for a
24 second or subsequent violation.

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

9 (Source: P.A. 99-932, eff. 6-1-17.)

10 (625 ILCS 5/3-117.3 new)

11 Sec. 3-117.3. Junking or salvage certificates; insurance
12 company; salvage dealer.

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

18 (b) Notwithstanding any other provision of law to the
19 contrary, an insurance company or salvage dealer may, after
20 completing a record search for any owner of a vehicle or a
21 lienholder of record, obtain free of any lien a junking
22 certificate or salvage certificate in the insurance company's
23 name by submitting an application for a junking certificate or
24 salvage certificate to the Secretary of State. The application
25 shall include, but is not limited to, proof of full payment, in

1 whole or in part, to the vehicle owner or, if applicable, any
2 lienholder of record and proof of notice to the vehicle owner
3 and any lienholder via certified mail or other proof of service
4 that a transfer of title shall occur no earlier than 30 days
5 after the date the notice is sent. Upon approval of the
6 application, the Secretary shall issue to the insurance company
7 a junking certificate or salvage certificate free of any lien
8 in the insurance company's name.

9 An insurance company or salvage dealer shall not sell a
10 salvage vehicle with a title obtained under this subsection (b)
11 to anyone not authorized to buy salvage vehicles under this
12 Code.

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

22 (c) Notwithstanding any other provision of law to the
23 contrary, a salvage dealer may, after completing a record
24 search for any owner of a vehicle or a lienholder of record,
25 obtain free of any lien a junking certificate or salvage
26 certificate in his or her name by submitting an application for

1 a junking certificate or a salvage certificate to the Secretary
2 of State which shall include, but is not limited to, proof of
3 notice via certified mail or other proof of service to the
4 vehicle owner or any lienholder that a transfer of title shall
5 occur no earlier than 30 days after the date the notice is
6 sent. The notice shall inform the vehicle owner or lienholder
7 that upon payment of any applicable charges, the vehicle may be
8 removed from the salvage dealer's facility. Upon approval of
9 the application, the Secretary shall issue to the salvage
10 dealer a junking certificate or salvage certificate free of any
11 lien in the salvage dealer's name.

12 A salvage dealer shall not sell a salvage vehicle with a
13 title obtained under this subsection (c) to anyone not
14 authorized to buy salvage vehicles under this Code.

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

22 (d) A vehicle owner or lienholder may send notice of
23 dispute of the transfer of title under this Section within 30
24 days after the required notice is sent by the insurance company
25 or salvage dealer. If a dispute between a vehicle owner or
26 lienholder and an insurance company or salvage dealer cannot be

1 resolved within 45 days after the required notice to the
2 vehicle owner or lienholder is sent, the vehicle owner or
3 lienholder, within 90 days after sending notice of dispute,
4 shall petition a court of competent jurisdiction for an order
5 to determine ownership of the vehicle and shall notify the
6 Secretary of State of the filing of the petition. If a vehicle
7 owner or lienholder does not file a petition within the 90-day
8 period, the title to the vehicle shall be issued to the
9 insurance company or salvage dealer under this Section.

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

15 (f) Any person who knowingly fails to surrender to the
16 Secretary of State a certificate of title, salvage certificate,
17 or certificate of purchase is guilty of a Class A misdemeanor
18 for a first offense and a Class 4 felony for a second and
19 subsequent offense.

20 (g) Any vehicle which is salvage or junk may not be driven
21 or operated on roads and highways within this State. A
22 violation of this subsection (g) is a Class A misdemeanor. A
23 salvage vehicle displaying valid special plates issued under
24 subsection (b) of Section 3-601 of this Code, which is being
25 driven to or from an inspection conducted under Section 3-308
26 of this Code, is exempt from the provisions of this subsection

1 (g). A salvage vehicle for which a short term permit has been
2 issued under Section 3-307 of this Code is exempt from the
3 provisions of this subsection (g) for the duration of the
4 permit.

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

7 (625 ILCS 5/5-104.3)

8 Sec. 5-104.3. Disclosure of rebuilt vehicle.

9 (a) No person shall knowingly, with intent to defraud or
10 deceive another, sell a vehicle for which a rebuilt title has
11 been issued unless that vehicle is accompanied by a Disclosure
12 of Rebuilt Vehicle Status form, properly signed and delivered
13 to the buyer.

14 (a-5) No dealer or rebuilder licensed under Sections 5-101,
15 5-102, or 5-301 of this Code shall sell a vehicle for which a
16 rebuilt title has been issued from another jurisdiction without
17 first obtaining an Illinois certificate of title with a
18 "REBUILT" notation under Section 3-118.1 of this Code.

19 (b) The Secretary of State may by rule or regulation
20 prescribe the format and information contained in the
21 Disclosure of Rebuilt Vehicle Status form.

22 (c) A violation of subsections ~~subsection~~ (a) or (a-5) of
23 this Section is a Class A misdemeanor. A second or subsequent
24 violation of subsections ~~subsection~~ (a) or (a-5) of this
25 Section is a Class 4 felony.

1 (Source: P.A. 91-891, eff. 7-6-00.)

2 Section 95. No acceleration or delay. Where this Act makes
3 changes in a statute that is represented in this Act by text
4 that is not yet or no longer in effect (for example, a Section
5 represented by multiple versions), the use of that text does
6 not accelerate or delay the taking effect of (i) the changes
7 made by this Act or (ii) provisions derived from any other
8 Public Act.

9 Section 99. Effective date. This Act takes effect 90 days
10 after becoming law.