



Sen. Iris Y. Martinez

**Filed: 2/24/2006**

09400SB1085sam001

LRB094 04796 DRH 56493 a

1 AMENDMENT TO SENATE BILL 1085

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1085 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Vehicle Code is amended by  
5 changing Section 3-117.1 as follows:

6 (625 ILCS 5/3-117.1) (from Ch. 95 1/2, par. 3-117.1)

7 Sec. 3-117.1. When junking certificates or salvage  
8 certificates must be obtained.

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

21 A licensee who possesses a junk vehicle and a Certificate  
22 of Title, Salvage Certificate, Certificate of Purchase, or a  
23 similarly acceptable out-of-state document of ownership for  
24 such junk vehicle, may transport the junk vehicle to another

1 licensee prior to applying for or obtaining a junking  
2 certificate, by executing a uniform invoice. The licensee  
3 transferor shall furnish a copy of the uniform invoice to the  
4 licensee transferee at the time of transfer. In any case, the  
5 licensee transferor shall apply for a junking certificate in  
6 conformance with Section 3-117.1 of this Chapter. The following  
7 information shall be contained on a uniform invoice:

8 (1) The business name, address and dealer license  
9 number of the person disposing of the vehicle, junk vehicle  
10 or vehicle cowl;

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

15 (3) The date of the disposition of the vehicle, junk  
16 vehicle or vehicle cowl;

17 (4) The year, make, model, color and description of  
18 each vehicle, junk vehicle or vehicle cowl disposed of by  
19 such person;

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

24 (6) The printed name and legible signature of the  
25 person or agent disposing of the vehicle, junk vehicle or  
26 vehicle cowl; and

27 (7) The printed name and legible signature of the  
28 person accepting delivery of the vehicle, junk vehicle or  
29 vehicle cowl.

30 The Secretary of State may certify a junking manifest in a  
31 form prescribed by the Secretary of State that reflects those  
32 vehicles for which junking certificates have been applied or  
33 issued. A junking manifest may be issued to any person and it  
34 shall constitute evidence of ownership for the vehicle listed

1 upon it. A junking manifest may be transferred only to a person  
2 licensed under Section 5-301 of this Code as a scrap processor.  
3 A junking manifest will allow the transportation of those  
4 vehicles to a scrap processor prior to receiving the junk  
5 certificate from the Secretary of State.

6 (b) An application for a salvage certificate shall be  
7 submitted to the Secretary of State in any of the following  
8 situations:

9 (1) When an insurance company makes a payment of  
10 damages on a total loss claim for a vehicle, the insurance  
11 company shall be deemed to be the owner of such vehicle and  
12 the vehicle shall be considered to be salvage except that  
13 ownership of (i) a vehicle that has incurred only hail  
14 damage that does not affect the operational safety of the  
15 vehicle or (ii) any vehicle 9 model years of age or older  
16 may, by agreement between the registered owner and the  
17 insurance company, be retained by the registered owner of  
18 such vehicle. The insurance company shall promptly deliver  
19 or mail within 20 days the certificate of title along with  
20 proper application and fee to the Secretary of State, and a  
21 salvage certificate shall be issued in the name of the  
22 insurance company. An insurer making payment of damages on  
23 a total loss claim for the theft of a vehicle may exchange  
24 the salvage certificate for a certificate of title if the  
25 vehicle is recovered without damage. In such a situation,  
26 the insurer shall fill out and sign a form prescribed by  
27 the Secretary of State which contains an affirmation under  
28 penalty of perjury that the vehicle was recovered without  
29 damage and the Secretary of State may, by rule or  
30 regulation, require photographs to be submitted.

31 (1.1) When a vehicle of a self-insured company has  
32 sustained damaged by collision, fire, theft, rust  
33 corrosion, or other means so that the self-insured company  
34 determines the vehicle to be a total loss, or if the cost

1 of repairing the damage, including labor, would be greater  
2 than 33 1/3 % of its fair market value without that damage,  
3 the vehicle shall be considered salvage. The self-insured  
4 company shall promptly deliver or mail within 20 days the  
5 certificate of title along with proper application and fee  
6 to the Secretary of State, and a salvage certificate shall  
7 be issued in the name of the self-insured company. A  
8 self-insured company making payment of damages on a total  
9 loss claim for the theft of a vehicle may exchange the  
10 salvage certificate for a certificate of title if the  
11 vehicle is recovered without damage. In such a situation,  
12 the self-insured shall fill out and sign a form prescribed  
13 by the Secretary of State which contains an affirmation  
14 under penalty of perjury that the vehicle was recovered  
15 without damage and the Secretary of State may, by rule,  
16 require photographs to be submitted.

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

1 of State under this Section shall be free of any lien that  
2 existed against the vehicle prior to the time the vehicle  
3 was acquired by the applicant under this Code.

4 (3) A vehicle which has been repossessed by a  
5 lienholder shall be considered to be salvage only when the  
6 repossessed vehicle, on the date of repossession by the  
7 lienholder, has sustained damage by collision, fire,  
8 theft, rust corrosion, or other means so that the cost of  
9 repairing such damage, including labor, would be greater  
10 than 33 1/3% of its fair market value without such damage.  
11 If the lienholder determines that such vehicle is damaged  
12 in excess of 33 1/3% of such fair market value, the  
13 lienholder shall, before sale, transfer or assignment of  
14 the vehicle, make application for a salvage certificate,  
15 and shall submit with such application the proper fee and  
16 evidence of possession. If the facts required to be shown  
17 in subsection (f) of Section 3-114 are satisfied, the  
18 Secretary of State shall issue a salvage certificate in the  
19 name of the lienholder making the application. In any case  
20 wherein the vehicle repossessed is not damaged in excess of  
21 33 1/3% of its fair market value, the lienholder shall  
22 comply with the requirements of subsections (f), (f-5), and  
23 (f-10) of Section 3-114, except that the affidavit of  
24 repossession made by or on behalf of the lienholder shall  
25 also contain an affirmation under penalty of perjury that  
26 the vehicle on the date of sale is not damaged in excess of  
27 33 1/3% of its fair market value. If the facts required to  
28 be shown in subsection (f) of Section 3-114 are satisfied,  
29 the Secretary of State shall issue a certificate of title  
30 as set forth in Section 3-116 of this Code. The Secretary  
31 of State may by rule or regulation require photographs to  
32 be submitted.

33 (4) A vehicle which is a part of a fleet of more than 5  
34 commercial vehicles registered in this State or any other

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

25 (5) A vehicle that has been submerged in water to the  
26 point that rising water has reached over the door sill and  
27 has entered the passenger or trunk compartment is a "flood  
28 vehicle". A flood vehicle shall be considered to be salvage  
29 only if the vehicle has sustained damage so that the cost  
30 of repairing the damage, including labor, would be greater  
31 than 33 1/3% of the fair market value of the vehicle  
32 without that damage. The salvage certificate issued under  
33 this Section shall indicate the word "flood", and the word  
34 "flood" shall be conspicuously entered on subsequent

1 titles for the vehicle. A person who possesses or acquires  
2 a flood vehicle that is not damaged in excess of 33 1/3% of  
3 its fair market value shall make application for title in  
4 accordance with Section 3-116 of this Code, designating the  
5 vehicle as "flood" in a manner prescribed by the Secretary  
6 of State. The certificate of title issued shall indicate  
7 the word "flood", and the word "flood" shall be  
8 conspicuously entered on subsequent titles for the  
9 vehicle.

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

26 (e) Any vehicle which is salvage or junk may not be driven  
27 or operated on roads and highways within this State. A  
28 violation of this subsection is a Class A misdemeanor. A  
29 salvage vehicle displaying valid special plates issued under  
30 Section 3-601(b) of this Code, which is being driven to or from  
31 an inspection conducted under Section 3-308 of this Code, is  
32 exempt from the provisions of this subsection. A salvage  
33 vehicle for which a short term permit has been issued under  
34 Section 3-307 of this Code is exempt from the provisions of

1 this subsection for the duration of the permit.

2 (Source: P.A. 92-751, eff. 8-2-02.)".