



Sen. Terry Link

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1 AMENDMENT TO SENATE BILL 1087

2 AMENDMENT NO. _____. Amend Senate Bill 1087 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 (2) When a vehicle the ownership of which has been
32 transferred to any person through a certificate of purchase
33 from acquisition of the vehicle at an auction, other
34 dispositions as set forth in Sections 4-208 and 4-209 of

1 this Code, a lien arising under Section 18a-501 of this
2 Code, or a public sale under the Abandoned Mobile Home Act
3 shall be deemed salvage or junk at the option of the
4 purchaser. The person acquiring such vehicle in such manner
5 shall promptly deliver or mail, within 20 days after the
6 acquisition of the vehicle, the certificate of purchase,
7 the proper application and fee, and, if the vehicle is an
8 abandoned mobile home under the Abandoned Mobile Home Act,
9 a certification from a local law enforcement agency that
10 the vehicle was purchased or acquired at a public sale
11 under the Abandoned Mobile Home Act to the Secretary of
12 State and a salvage certificate or junking certificate
13 shall be issued in the name of that person. The salvage
14 certificate or junking certificate issued by the Secretary
15 of State under this Section shall be free of any lien that
16 existed against the vehicle prior to the time the vehicle
17 was acquired by the applicant under this Code.

18 (3) A vehicle which has been repossessed by a
19 lienholder shall be considered to be salvage only when the
20 repossessed vehicle, on the date of repossession by the
21 lienholder, has sustained damage by collision, fire,
22 theft, rust corrosion, or other means so that the cost of
23 repairing such damage, including labor, would be greater
24 than 50% ~~33 1/3%~~ of its fair market value without such
25 damage. If the lienholder determines that such vehicle is
26 damaged in excess of 50% ~~33 1/3%~~ of such fair market value,
27 the lienholder shall, before sale, transfer or assignment
28 of the vehicle, make application for a salvage certificate,
29 and shall submit with such application the proper fee and
30 evidence of possession. If the facts required to be shown
31 in subsection (f) of Section 3-114 are satisfied, the
32 Secretary of State shall issue a salvage certificate in the
33 name of the lienholder making the application. In any case
34 wherein the vehicle repossessed is not damaged in excess of

1 50% ~~33 1/3%~~ of its fair market value, the lienholder shall
2 comply with the requirements of subsections (f), (f-5), and
3 (f-10) of Section 3-114, except that the affidavit of
4 repossession made by or on behalf of the lienholder shall
5 also contain an affirmation under penalty of perjury that
6 the vehicle on the date of sale is not damaged in excess of
7 50% ~~33 1/3%~~ of its fair market value. If the facts required
8 to be shown in subsection (f) of Section 3-114 are
9 satisfied, the Secretary of State shall issue a certificate
10 of title as set forth in Section 3-116 of this Code. The
11 Secretary of State may by rule or regulation require
12 photographs to be submitted.

13 (4) A vehicle which is a part of a fleet of more than 5
14 commercial vehicles registered in this State or any other
15 state or registered proportionately among several states
16 shall be considered to be salvage when such vehicle has
17 sustained damage by collision, fire, theft, rust,
18 corrosion or similar means so that the cost of repairing
19 such damage, including labor, would be greater than 50% ~~33~~
20 ~~1/3%~~ of the fair market value of the vehicle without such
21 damage. If the owner of a fleet vehicle desires to sell,
22 transfer, or assign his interest in such vehicle to a
23 person within this State other than an insurance company
24 licensed to do business within this State, and the owner
25 determines that such vehicle, at the time of the proposed
26 sale, transfer or assignment is damaged in excess of 50% ~~33~~
27 ~~1/3%~~ of its fair market value, the owner shall, before such
28 sale, transfer or assignment, make application for a
29 salvage certificate. The application shall contain with it
30 evidence of possession of the vehicle. If the fleet vehicle
31 at the time of its sale, transfer, or assignment is not
32 damaged in excess of 50% ~~33 1/3%~~ of its fair market value,
33 the owner shall so state in a written affirmation on a form
34 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 50% ~~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 50% ~~33~~
17 ~~1/3%~~ of its fair market value shall make application for
18 title in accordance with Section 3-116 of this Code,
19 designating the vehicle as "flood" in a manner prescribed
20 by the Secretary of State. The certificate of title issued
21 shall indicate the word "flood", and the word "flood" shall
22 be conspicuously entered on subsequent titles for the
23 vehicle.

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

29 (d) Any person who knowingly fails to surrender to the
30 Secretary of State a certificate of title, salvage certificate,
31 certificate of purchase or a similarly acceptable out-of-state
32 document of ownership as required under the provisions of this
33 Section is guilty of a Class A misdemeanor for a first offense
34 and a Class 4 felony for a subsequent offense; except that a

1 person licensed under this Code who violates paragraph (5) of
2 subsection (b) of this Section is guilty of a business offense
3 and shall be fined not less than \$1,000 nor more than \$5,000
4 for a first offense and is guilty of a Class 4 felony for a
5 second or subsequent violation.

6 (e) Any vehicle which is salvage or junk may not be driven
7 or operated on roads and highways within this State. A
8 violation of this subsection is a Class A misdemeanor. A
9 salvage vehicle displaying valid special plates issued under
10 Section 3-601(b) of this Code, which is being driven to or from
11 an inspection conducted under Section 3-308 of this Code, is
12 exempt from the provisions of this subsection. A salvage
13 vehicle for which a short term permit has been issued under
14 Section 3-307 of this Code is exempt from the provisions of
15 this subsection for the duration of the permit.

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