

Senate Transportation Committee

Kat Bourque 271-3093

SB 28, relative to salvage certificates of titles for motor vehicles.

Hearing Date: January 10, 2017

Time Opened: 1:03 PM

Time Closed: 1:16 PM

Members of the Committee Present: Senators Birdsell, Gannon, Ward, Watters and McGilvray

Members of the Committee Absent: None

Bill Analysis: This bill authorizes the issuance of a salvage certificate of title for a vehicle under specified conditions after a total loss payment has been made or denied.

Sponsors:
Sen. Birdsell

Who supports the bill: Senator Birdsell

Who opposes the bill: Elizabeth Bielecki (Department of Motor Vehicles), Priscilla Vaughan (Department of Motor Vehicles), Rene Fortin (New Hampshire Towing Association), Bruce Crawford (Auto Recyclers)

Who is neutral on the bill: No one

Summary of testimony presented in support:

Senator Birdsell

Prime Sponsor

- Senator Birdsell introduced the bill as the prime sponsor of the legislation.
- She explained that this bill originated as a request.
- This legislation allows for the issuance of a salvage certificate of title for a vehicle under specified conditions after a total loss payment has been made or denied.
- Proof must also exist that the lienholder of the vehicle (if applicable) has been contacted, or has been attempted to be contacted.
- In the case that an auto-loaner takes possession of the vehicle, the process is the same.
- Senator Watters asked about the effective date of the bill and whether or not the Department thinks that they may need longer to implement such a change. Senator Birdsell stated that she was fine with pushing this date back, if necessary.
- Senator Watters stated that he would assume that the holder of the original title is still the person who is responsible for the lien, not the owner of the salvage title. He explained that somewhere, someone will be holding the original title, and that it would make sense that the owner of the salvage title is free and clear of liens. Senator

Birdsell stated that yes, she believes that is the case under this legislation.

Summary of testimony presented in opposition :

Elizabeth Bielecki & Priscilla Vaughan

Department of Motor Vehicles

- The Department of Motor Vehicles (DMV) opposes this bill, but is willing to work with the sponsor on making adequate changes.
- A main concern of the DMV is that currently, anyone in possession of a vehicle without a title follows another process outlined by law that requires steps for a vehicle to be deemed abandoned. This includes obtaining the information of the most recent owner, current lienholders, correct address, providing public notice and more. Ms. Vaughan added that public notice must occur in two different places.
- Current law under RSA 262:1-40 outlines the above-mentioned steps in order for a vehicle to be considered abandoned.
- Additionally, the Department has concerns with wholesalers applying for salvage titles. This is concerning because this is not the only group who may find themselves in a similar situation. Many others, such as individuals, auto repair shops, mechanics and tow dealers, may wish to do the same. Again, there is already a process in place that must be followed.
- Senator McGilvray asked if only certified groups were able to begin the process of declaring a vehicle abandoned. Ms. Bielecki stated that any individual can begin this process.
- Senator McGilvray asked if some elements of the bill could be negotiated so that existing law could be made stronger than it currently is. Ms. Bielecki stated that the Department can absolutely work with this bill to ensure that they are not leaving a particular group of businesses out of this process.
- Senator Watters stated that under RSA 262:34, he is unsure as to whether or not this is inclusive of the circumstances discussed in this bill. Ms. Bielecki stated that the committee may want to get input from other groups on this bill.
- Senator Birdsell asked which other individuals may not be covered under current law. Ms. Bielecki stated that she believes that current abandoned vehicle law is all-encompassing. She believes that the process laid out in this bill doesn't have as many steps, but only addresses auto wholesalers and insurance companies. In other words, the scope of the bill appears to be narrow.

Neutral Information Presented: N/A

Future Action: Inexpedient to Legislate

KAB

Date Hearing Report completed: January 11, 2017