



Sen. John G. Mulroe

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LRB100 08845 AXK 22866 a

1 AMENDMENT TO SENATE BILL 1946

2 AMENDMENT NO. _____. Amend Senate Bill 1946 by replacing
3 everything after the enacting clause with the following:

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

1 except as provided in Section 3-117.2, whereupon the Secretary
2 of State shall issue to such a person a junking certificate,
3 which shall authorize the holder thereof to possess, transport,
4 or, by an endorsement, transfer ownership in such junked
5 vehicle, and a certificate of title shall not again be issued
6 for such vehicle.

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

18 (1) The business name, address and dealer license
19 number of the person disposing of the vehicle, junk vehicle
20 or vehicle cowl;

21 (2) The name and address of the person acquiring the
22 vehicle, junk vehicle or vehicle cowl, and if that person
23 is a dealer, the Illinois or out-of-state dealer license
24 number of that dealer;

25 (3) The date of the disposition of the vehicle, junk
26 vehicle or vehicle cowl;

1 (4) The year, make, model, color and description of
2 each vehicle, junk vehicle or vehicle cowl disposed of by
3 such person;

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

8 (6) The printed name and legible signature of the
9 person or agent disposing of the vehicle, junk vehicle or
10 vehicle cowl; and

11 (7) The printed name and legible signature of the
12 person accepting delivery of the vehicle, junk vehicle or
13 vehicle cowl.

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

24 (b) An application for a salvage certificate shall be
25 submitted to the Secretary of State in any of the following
26 situations:

1 (1) When an insurance company makes a payment of
2 damages on a total loss claim for a vehicle, the insurance
3 company shall be deemed to be the owner of such vehicle and
4 the vehicle shall be considered to be salvage except that
5 ownership of (i) a vehicle that has incurred only hail
6 damage that does not affect the operational safety of the
7 vehicle or (ii) any vehicle 9 model years of age or older
8 may, by agreement between the registered owner and the
9 insurance company, be retained by the registered owner of
10 such vehicle. The insurance company shall promptly deliver
11 or mail within 20 days the certificate of title along with
12 proper application and fee to the Secretary of State, and a
13 salvage certificate shall be issued in the name of the
14 insurance company. Notwithstanding the foregoing, an
15 insurer making payment of damages on a total loss claim for
16 the theft of a vehicle shall not be required to apply for a
17 salvage certificate unless the vehicle is recovered and has
18 incurred damage that initially would have caused the
19 vehicle to be declared a total loss by the insurer.

20 (1.1) When a vehicle of a self-insured company is to be
21 sold in the State of Illinois and has sustained damaged by
22 collision, fire, theft, rust corrosion, or other means so
23 that the self-insured company determines the vehicle to be
24 a total loss, or if the cost of repairing the damage,
25 including labor, would be greater than 50% of its fair
26 market value without that damage, the vehicle shall be

1 considered salvage. The self-insured company shall
2 promptly deliver the certificate of title along with proper
3 application and fee to the Secretary of State, and a
4 salvage certificate shall be issued in the name of the
5 self-insured company. A self-insured company making
6 payment of damages on a total loss claim for the theft of a
7 vehicle may exchange the salvage certificate for a
8 certificate of title if the vehicle is recovered without
9 damage. In such a situation, the self-insured shall fill
10 out and sign a form prescribed by the Secretary of State
11 which contains an affirmation under penalty of perjury that
12 the vehicle was recovered without damage and the Secretary
13 of State may, by rule, require photographs to be submitted.

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

1 the vehicle was purchased or acquired at a public sale
2 under the Abandoned Mobile Home Act to the Secretary of
3 State and a salvage certificate or junking certificate
4 shall be issued in the name of that person. The salvage
5 certificate or junking certificate issued by the Secretary
6 of State under this Section shall be free of any lien that
7 existed against the vehicle prior to the time the vehicle
8 was acquired by the applicant under this Code.

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

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

12 (4) A vehicle which is a part of a fleet of more than 5
13 commercial vehicles registered in this State or any other
14 state or registered proportionately among several states
15 shall be considered to be salvage when such vehicle has
16 sustained damage by collision, fire, theft, rust,
17 corrosion or similar means so that the cost of repairing
18 such damage, including labor, would be greater than 33 1/3%
19 of the fair market value of the vehicle without such
20 damage. If the owner of a fleet vehicle desires to sell,
21 transfer, or assign his interest in such vehicle to a
22 person within this State other than an insurance company
23 licensed to do business within this State, and the owner
24 determines that such vehicle, at the time of the proposed
25 sale, transfer or assignment is damaged in excess of 33
26 1/3% of its fair market value, the owner shall, before such

1 sale, transfer or assignment, make application for a
2 salvage certificate. The application shall contain with it
3 evidence of possession of the vehicle. If the fleet vehicle
4 at the time of its sale, transfer, or assignment is not
5 damaged in excess of 33 1/3% of its fair market value, the
6 owner shall so state in a written affirmation on a form
7 prescribed by the Secretary of State by rule or regulation.
8 The Secretary of State may by rule or regulation require
9 photographs to be submitted. Upon sale, transfer or
10 assignment of the fleet vehicle the owner shall mail the
11 affirmation to the Secretary of State.

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

1 of State. The certificate of title issued shall indicate
2 the word "flood", and the word "flood" shall be
3 conspicuously entered on subsequent titles for the
4 vehicle.

5 (6) When any licensed rebuilder, repairer, new or used
6 vehicle dealer, or remittance agent has submitted an
7 application for title to a vehicle (other than an
8 application for title to a rebuilt vehicle) that he or she
9 knows or reasonably should have known to have sustained
10 damages in excess of 33 1/3% of the vehicle's fair market
11 value without that damage; provided, however, that any
12 application for a salvage certificate for a vehicle
13 recovered from theft and acquired from an insurance company
14 shall be made as required by paragraph (1) of this
15 subsection (b).

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

21 (d) Any person who knowingly fails to surrender to the
22 Secretary of State a certificate of title, salvage certificate,
23 certificate of purchase or a similarly acceptable out-of-state
24 document of ownership as required under the provisions of this
25 Section is guilty of a Class A misdemeanor for a first offense
26 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. 97-832, eff. 7-20-12.)

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

18 Sec. 3-117.1. When junking certificates or salvage
19 certificates must be obtained.

20 (a) Except as provided in Chapter 4 and Section 3-117.3 of
21 this Code, a person who possesses a junk vehicle shall within
22 15 days cause the certificate of title, salvage certificate,
23 certificate of purchase, or a similarly acceptable out of state
24 document of ownership to be surrendered to the Secretary of
25 State along with an application for a junking certificate,

1 except as provided in Section 3-117.2, whereupon the Secretary
2 of State shall issue to such a person a junking certificate,
3 which shall authorize the holder thereof to possess, transport,
4 or, by an endorsement, transfer ownership in such junked
5 vehicle, and a certificate of title shall not again be issued
6 for such vehicle.

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

18 (1) The business name, address and dealer license
19 number of the person disposing of the vehicle, junk vehicle
20 or vehicle cowl;

21 (2) The name and address of the person acquiring the
22 vehicle, junk vehicle or vehicle cowl, and if that person
23 is a dealer, the Illinois or out-of-state dealer license
24 number of that dealer;

25 (3) The date of the disposition of the vehicle, junk
26 vehicle or vehicle cowl;

1 (4) The year, make, model, color and description of
2 each vehicle, junk vehicle or vehicle cowl disposed of by
3 such person;

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

8 (6) The printed name and legible signature of the
9 person or agent disposing of the vehicle, junk vehicle or
10 vehicle cowl; and

11 (7) The printed name and legible signature of the
12 person accepting delivery of the vehicle, junk vehicle or
13 vehicle cowl.

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

24 (b) An application for a salvage certificate shall be
25 submitted to the Secretary of State in any of the following
26 situations:

1 (1) When an insurance company makes a payment of
2 damages on a total loss claim for a vehicle, the insurance
3 company shall be deemed to be the owner of such vehicle and
4 the vehicle shall be considered to be salvage except that
5 ownership of (i) a vehicle that has incurred only hail
6 damage that does not affect the operational safety of the
7 vehicle or (ii) any vehicle 9 model years of age or older
8 may, by agreement between the registered owner and the
9 insurance company, be retained by the registered owner of
10 such vehicle. The insurance company shall promptly deliver
11 or mail within 20 days the certificate of title along with
12 proper application and fee to the Secretary of State, and a
13 salvage certificate shall be issued in the name of the
14 insurance company. Notwithstanding the foregoing, an
15 insurer making payment of damages on a total loss claim for
16 the theft of a vehicle shall not be required to apply for a
17 salvage certificate unless the vehicle is recovered and has
18 incurred damage that initially would have caused the
19 vehicle to be declared a total loss by the insurer.

20 (1.1) When a vehicle of a self-insured company is to be
21 sold in the State of Illinois and has sustained damaged by
22 collision, fire, theft, rust corrosion, or other means so
23 that the self-insured company determines the vehicle to be
24 a total loss, or if the cost of repairing the damage,
25 including labor, would be greater than 70% of its fair
26 market value without that damage, the vehicle shall be

1 considered salvage. The self-insured company shall
2 promptly deliver the certificate of title along with proper
3 application and fee to the Secretary of State, and a
4 salvage certificate shall be issued in the name of the
5 self-insured company. A self-insured company making
6 payment of damages on a total loss claim for the theft of a
7 vehicle may exchange the salvage certificate for a
8 certificate of title if the vehicle is recovered without
9 damage. In such a situation, the self-insured shall fill
10 out and sign a form prescribed by the Secretary of State
11 which contains an affirmation under penalty of perjury that
12 the vehicle was recovered without damage and the Secretary
13 of State may, by rule, require photographs to be submitted.

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

1 the vehicle was purchased or acquired at a public sale
2 under the Abandoned Mobile Home Act to the Secretary of
3 State and a salvage certificate or junking certificate
4 shall be issued in the name of that person. The salvage
5 certificate or junking certificate issued by the Secretary
6 of State under this Section shall be free of any lien that
7 existed against the vehicle prior to the time the vehicle
8 was acquired by the applicant under this Code.

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

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

12 (4) A vehicle which is a part of a fleet of more than 5
13 commercial vehicles registered in this State or any other
14 state or registered proportionately among several states
15 shall be considered to be salvage when such vehicle has
16 sustained damage by collision, fire, theft, rust,
17 corrosion or similar means so that the cost of repairing
18 such damage, including labor, would be greater than 33 1/3%
19 of the fair market value of the vehicle without such
20 damage. If the owner of a fleet vehicle desires to sell,
21 transfer, or assign his interest in such vehicle to a
22 person within this State other than an insurance company
23 licensed to do business within this State, and the owner
24 determines that such vehicle, at the time of the proposed
25 sale, transfer or assignment is damaged in excess of 33
26 1/3% of its fair market value, the owner shall, before such

1 sale, transfer or assignment, make application for a
2 salvage certificate. The application shall contain with it
3 evidence of possession of the vehicle. If the fleet vehicle
4 at the time of its sale, transfer, or assignment is not
5 damaged in excess of 33 1/3% of its fair market value, the
6 owner shall so state in a written affirmation on a form
7 prescribed by the Secretary of State by rule or regulation.
8 The Secretary of State may by rule or regulation require
9 photographs to be submitted. Upon sale, transfer or
10 assignment of the fleet vehicle the owner shall mail the
11 affirmation to the Secretary of State.

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

1 of State. The certificate of title issued shall indicate
2 the word "flood", and the word "flood" shall be
3 conspicuously entered on subsequent titles for the
4 vehicle.

5 (6) When any licensed rebuilder, repairer, new or used
6 vehicle dealer, or remittance agent has submitted an
7 application for title to a vehicle (other than an
8 application for title to a rebuilt vehicle) that he or she
9 knows or reasonably should have known to have sustained
10 damages in excess of 33 1/3% of the vehicle's fair market
11 value without that damage; provided, however, that any
12 application for a salvage certificate for a vehicle
13 recovered from theft and acquired from an insurance company
14 shall be made as required by paragraph (1) of this
15 subsection (b).

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

21 (d) Any person who knowingly fails to surrender to the
22 Secretary of State a certificate of title, salvage certificate,
23 certificate of purchase or a similarly acceptable out-of-state
24 document of ownership as required under the provisions of this
25 Section is guilty of a Class A misdemeanor for a first offense
26 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. 99-932, eff. 6-1-17.)

17 (625 ILCS 5/3-117.3 new)

18 Sec. 3-117.3. Junking or salvage certificates; insurance
19 company; salvage dealer.

20 (a) For purposes of this Section, "salvage dealer" means a
21 licensed dealer who primarily sells salvage vehicles on behalf
22 of insurance companies and obtains a "salvage dealer"
23 designation through the used dealer application process under
24 Section 5-102 of this Code.

25 (b) Notwithstanding any other provision of law to the

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

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

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

1 certificate of title within 30 days of payment to the owner or
2 lienholder.

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

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

22 This subsection (c) shall apply only to a motor vehicle
23 titled in this State and in possession of a salvage dealer by
24 request of an insurance company licensed under the Illinois
25 Insurance Code to take possession of the motor vehicle subject
26 to an insurance claim and the insurance company denies coverage

1 of the vehicle or does not take ownership of the vehicle within
2 45 days of possession by the salvage dealer.

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

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

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

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

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

14 (625 ILCS 5/5-104.3)

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

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

21 (a-5) No dealer or rebuilder licensed under Sections 5-101,
22 5-102, or 5-301 of this Code shall sell a vehicle for which a
23 rebuilt title has been issued from another jurisdiction without
24 first obtaining an Illinois certificate of title with a
25 "REBUILT" notation under Section 3-118.1 of this Code.

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

4 (c) A violation of subsections ~~subsection~~ (a) or (a-5) of
5 this Section is a Class A misdemeanor. A second or subsequent
6 violation of subsections ~~subsection~~ (a) or (a-5) of this
7 Section is a Class 4 felony.

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

9 Section 95. No acceleration or delay. Where this Act makes
10 changes in a statute that is represented in this Act by text
11 that is not yet or no longer in effect (for example, a Section
12 represented by multiple versions), the use of that text does
13 not accelerate or delay the taking effect of (i) the changes
14 made by this Act or (ii) provisions derived from any other
15 Public Act.

16 Section 99. Effective date. This Act takes effect 90 days
17 after becoming law."