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DEPARTMENT OF TRANSPORTATION

Driver and Vehicle Services Update

Bureau of Motor Vehicles – Research and Support Operations Section

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This bulletin may be downloaded by visiting the Driver and Vehicle Services
website at www.dmv.pa.gov

Tom Wolf, Governor

Leslie S. Richards, Secretary

BULLETIN NO. 16-19

September 2016

SPECIAL EDITION

Transfer to Scrap Metal Processor and Insurance Company Request for Salvage Certificate When a Title is Not Assigned for Total Loss Settlement

Act 91, which becomes law on September 19, 2016, amends Section 1163 of the Pennsylvania Vehicle Code.

This act changed Section 1163(b) to read: “Any owner who transfers a vehicle or a salvage vehicle to a scrap metal processor shall assign the certificate of title or certificate of salvage to the scrap metal processor. Such certificate of title or certificate of salvage is exempt from the requirements of notarization and verification by a corporate officer.”

This act also adds Section 1163(c) which reads: “Upon transfer of a certificate of title to a scrap metal processor, the scrap metal processor shall immediately send to the department or an authorized agent of the department the assigned certificate of title attached to a form prescribed by the department indicating that the vehicle is to be designated as a nonrepairable vehicle. A copy of the form shall be retained for record in accordance with section 6308(d). The vehicle shall not be rebuilt, retitled or issued a certificate of any kind.”

This act also adds Section 1163(c.1), Title Not Assigned, which reads:

- (1) An insurance company may request the department to issue a salvage certificate for a vehicle if the insurance company is unable to obtain the properly endorsed certificate of title or certificate of salvage within 30 days following oral, written or electronic acceptance by the vehicle owner of an offer of an amount in settlement of a total loss:
 - (I) The request must be made on a form approved by the department and signed under penalty of perjury, accompanied by documentation as the department may require.
 - (II) Prior to the request for the certificate of salvage as provided for under this paragraph:
 - (A) The insurance company must make at least two written attempts mailed or delivered to obtain the assigned certificate of title or certificate of salvage.
 - (B) The insurance company must mail or deliver the settlement payment.
- (2) The department shall issue a certificate of salvage for the vehicle upon receipt of the properly executed application.
- (3) This subsection does not apply to a vehicle that has been driven or taken without the consent of the vehicle owner.

(4) The provisions of paragraph (1) do not apply to a vehicle when there was not oral, written or electronic acceptance by the owner of the total loss settlement.

In addition, this act added Section 1163(d), which reads: "Vehicles with defective or lost title. A vehicle owner may transfer a salvage vehicle with a faulty, lost or destroyed title located on the vehicle owner's property to a scrap metal processor for removal to a suitable place of storage or for scrapping, provided that the scrap metal processor complies with the requirements of this section. The report to the department that the vehicle is a salvage vehicle shall be verified by the transferor of the vehicle."

New and revised forms, which reflect the required changes, will be available September 19, 2016.

- Form MV-4IS, "Insurance Company Application For Salvage Certificate When Title Not Assigned"
- MV-4RP, "Indemnity Agreement for Faulty/Lost/Destroyed Title"
- MV-6, "Application for Nonrepairable or Salvage Certificate"
- MV-6IS, "Insurer/Salvage Dealer Application For Certificate of Salvage Vehicles Currently Titled in Pennsylvania"
- MV-6SV, "Insurance Company Application for Certificate of Salvage for a Stolen Vehicle"
- MV-7, "Salvage Dealer/Scrap Processor Business Report of Vehicles Considered Scrap Material and Not to be Titled or Reconstructed."

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