

§ 13-506. Salvage vehicles - Salvage certificate.

(a) In general.-

(1) A salvage certificate shall be issued in accordance with the provisions of this section.

(2) A salvage certificate issued under this section shall:

- (i) Be issued in the name of the applicant; and
- (ii) Serve as an ownership document.

(a-1) Retention of possession by owner upon settlement of claim.- For purposes of this section, a vehicle has not been acquired by an insurance company if an owner retains possession of the vehicle upon settlement of a claim concerning the vehicle by the insurance company in accordance with § 13-506.1 of this subtitle.

(b) Requirements.- The Administration shall issue a salvage certificate:

(1) To an insurance company or its authorized agent that:

- (i) Is licensed to insure automobiles in this State;
- (ii) Acquires a vehicle as the result of a claim settlement; and
- (iii) Within 10 days after the date of settlement, applies for a salvage certificate as provided in subsection (c) of this section;

(2) To an automotive dismantler and recycler that:

- (i) Acquires a salvage vehicle from a source other than an insurance company licensed to insure automobiles in this State;
- (ii) Acquires a salvage vehicle by a means other than a transfer of a salvage certificate; and
- (iii) Applies for a salvage certificate as provided in subsection (d) of this section; or

(3) To any other person who:

- (i) Acquires or retains ownership of a vehicle that is salvage, as defined in § 11-152 of this article;
- (ii) Applies for a salvage certificate on a form provided by the Administration; and
- (iii) Pays a fee established by the Administration.

(c) Application - Insurance companies.-

(1) Except as provided in § 13-507(b)(5) of this subtitle, for each vehicle that is acquired as a result of a claim settlement arising from an accident that occurred in the State, an insurance company or its authorized agent shall apply:

- (i) For a salvage certificate on a form provided by the Administration for a vehicle titled in the State; or
- (ii) Electronically for a salvage certificate for a vehicle titled in a foreign jurisdiction.

(2) The application under paragraph (1) of this subsection shall be accompanied by:

- (i) The certificate of title of the vehicle;

(ii) A statement by the insurance company that:

1. The cost to repair the vehicle for highway operation is greater than 75% of the fair market value of the vehicle prior to sustaining the damage for which the claim was paid and the vehicle is repairable;
2. The cost to repair the vehicle for highway operation is greater than 75% of the fair market value of the vehicle prior to sustaining the damage for which the claim was paid and the damage to the vehicle is cosmetic only;
3. The vehicle is not rebuildable, will be used for parts only, and is not to be retitled;
4. The vehicle has been stolen; or
5. The vehicle has sustained flood damage; and

(iii) A fee established by the Administration.

(3) Subject to the provisions of § 13-507(c)(2) of this subtitle, a salvage certificate issued under this paragraph shall contain a conspicuous notation by the Administration that describes which of the statements under paragraph (2)(ii) of this subsection applies to the vehicle.

(d) Application - Dismantlers and recyclers.-

(1) An automotive dismantler and recycler may apply for a salvage certificate on a form provided by the Administration.

(2) The application under paragraph (1) of this subsection shall be accompanied by:

- (i) The document through which ownership of the vehicle was acquired; and
- (ii) A fee established by the Administration.

(e) Records.- The Administration shall maintain records to indicate that a vehicle:

- (1) Was transferred as salvage; and
- (2) May not be titled or registered for operation in this State except in accordance with § 13-506.1 and § 13-507 of this subtitle.

(f) Fee.- The Administration shall establish a fee for:

- (1) A duplicate salvage certificate; and
- (2) A corrected salvage certificate.

[1992, ch. 635; 1993, ch. 331; 2001, ch. 327; 2008, ch. 422.]

