

2021 -- H 6188

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- RHODE ISLAND SALVAGE LAW

Introduced By: Representatives Vella-Wilkinson, Cardillo, Casimiro, and Bennett

Date Introduced: March 31, 2021

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 31-46-1 of the General Laws in Chapter 31-46 entitled "Rhode Island
2 Salvage Law" is hereby amended to read as follows:

3 **31-46-1. Duty of insurance company.**

4 (a) Any insurance company taking possession of a motor vehicle for which a certificate of
5 title has been issued in this state, that has been declared a total loss because of damage to that
6 vehicle, in settlement of a claim for damage or theft shall within ten (10) days deliver to the division
7 of motor vehicles the certificate of title of that vehicle and obtain a salvage certificate of title for
8 that vehicle as prescribed for by the administrator of the division of motor vehicles. [If the insurance](#)
9 [company is unable to obtain the certificate of title of the vehicle, the insurance company or its agent](#)
10 [may apply for and obtain, free and clear of all liens and claims of ownership, a salvage certificate](#)
11 [of title in the insurance company's name without delivering the certificate of title to the division of](#)
12 [motor vehicles. In such application, the insurance company or its agent shall declare, under penalty](#)
13 [of perjury, that the insurance company has paid a total loss claim on the vehicle and has made at](#)
14 [least two \(2\) written attempts, addressed to the last known owner of the vehicle and any known](#)
15 [lienholder, to obtain the certificate of title.](#)

16 (b) If:

17 (1) An insurance company requests that a motor vehicle dealer take possession of a motor
18 vehicle for which a certificate of title has been issued in this state;

19 (2) The motor vehicle is the subject of an insurance claim; and

1 (3) Subsequently a total loss claim is not paid by the insurance company with respect to
2 such motor vehicle, the motor vehicle dealer may, if such motor vehicle has been abandoned at the
3 facility of the motor vehicle dealer for more than thirty (30) days, apply for and obtain, free and
4 clear of all liens and claims of ownership, a salvage certificate of title in such dealer's name without
5 surrendering the certificate of title to the division of motor vehicles. In such application, the motor
6 vehicle dealer shall declare, under penalty of perjury, that the motor vehicle dealer made at least
7 two (2) written attempts, addressed to the last known owner of the vehicle and any known
8 lienholder, to have the vehicle removed from the motor vehicle dealer's facility. In such application,
9 the motor vehicle dealer shall also classify the vehicle as Classification A or Classification B, as
10 such classifications are described in §31-46-1.1.

11 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO MOTOR AND OTHER VEHICLES -- RHODE ISLAND SALVAGE LAW

1 This act would provide that if an insurance company taking possession of a motor vehicle
2 that has been declared a total loss is unable to obtain a certificate of title for the vehicle, the
3 insurance company or its agent may, upon the satisfaction of certain conditions, apply for and
4 obtain, free and clear of all liens and claims of ownership, a salvage certificate of title in the
5 insurance company's name without delivering the certificate of title to the division of motor
6 vehicles.

7 This act would take effect upon passage.

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