

OFFICE OF THE SECRETARY OF STATE

SHEMIA FAGAN
SECRETARY OF STATE

CHERYL MYERS
DEPUTY SECRETARY OF STATE



ARCHIVES DIVISION

STEPHANIE CLARK
DIRECTOR

800 SUMMER STREET NE
SALEM, OR 97310
503-373-0701

NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 735
DEPARTMENT OF TRANSPORTATION
DRIVER AND MOTOR VEHICLE SERVICES DIVISION

FILED

06/16/2022 3:12 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Salvage Title Replacement Transactions

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 07/21/2022 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

CONTACT: Ty Yoder
503-945-5256
ty.m.yoder@odot.oregon.gov

DMV Program Services
1905 Lana Avenue NE
Salem, OR 97314

Filed By:
Lauri Kunze
Rules Coordinator

NEED FOR THE RULE(S)

DMV has identified an efficiency for customers and DMV staff. DMV proposes to amend OAR 735-024-0150 to remove the requirement that all parties listed on the vehicle salvage title sign the application for replacement salvage title before DMV will issue a replacement salvage title for the vehicle. This change will make the salvage title process similar to the current process for a replacement Oregon Certificate of Title. Since a replacement salvage title does not change vehicle ownership and transfer of ownership would still require all owner signatures, this efficiency poses no risk to vehicle ownership. The proposed rule amendment will reduce an administrative burden on the customer and allow DMV staff to process the replacement title applications presented with only one owner signature. DMV made additional non-substantive changes to update language for clarity.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

None

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

DMV is removing a requirement for all owners to sign the application for a replacement salvage title. This change will positively affect all owners of salvage vehicles, including owners who are from marginalized communities because one owner can obtain a replacement salvage title without requiring assistance from the other owners.

FISCAL AND ECONOMIC IMPACT:

None

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the

rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) This is an efficiency for customers and DMV and will reduce costs related to these transactions. Customers will not be turned away from a DMV office to obtain additional signatures on the replacement salvage title application before DMV will process the application. DMV will be able to process more replacement salvage title transactions with a single customer visit; more efficient processing on some transactions also means improved turn-around times for other customers. DMV is unable to quantify the time or cost savings for customers and DMV staff because it is dependent on customers coming into a DMV office without all the required signatures.

(2)(a) and (b) None

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

DMV sent draft rules to 14 organizations representing small businesses. No responses were received.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

This change positively affects the public by removing barriers to replace a salvage title.

AMEND: 735-024-0150

RULE SUMMARY: DMV proposes to amend this rule to remove the requirement that all parties listed on the vehicle salvage title sign the application for replacement salvage title before DMV will issue a replacement salvage title for the vehicle.

CHANGES TO RULE:

735-024-0150

Salvage Title - Application for Replacement Salvage Title ¶

~~All of the following apply to the process of obtaining a replacement salvage title from:~~ (1) For purposes of this rule, the following definitions apply:¶

~~(a) "Destroyed" means the salvage title no longer exists. "Destroyed" does not include surrender of the salvage title to DMV or another jurisdiction.¶~~

~~(b) "DMV" means the Driver and Motor Vehicle Services Division of the Oregon Department of Transportation (DMV).¶~~

~~(1c) A replacement salvage title shall only be issued, if the previous salvage title has been lost, mutilated or destroyed.¶~~

~~(a) "Lost" means that "Lost" means that the registered owner or person required to attest to the disposition of the salvage title does not know the whereabouts of the salvage title is unknown, and that to the knowledge of the owner, or person required to attest to the disposition of the salvage title, and, to the best of the registered owner's or person's knowledge, the salvage title is not in the possession of another party.¶~~

~~(bd) "Mutilated" means the salvage title itself is damaged (e.g., torn in half), or the vehicle description, title brand information, or ownership information printed on the title when issued, has been altered in a manner that could cause someone lead a person to believe the title was issued differently than it was. "Mutilated" does not include alterations or mutilation errors made in the assignment of title.¶~~

~~(e2) "Destroyed" means the salvage title no longer exists. "Destroyed" does not include surrender of the title to DMV or another jurisdiction. DMV will issue a replacement salvage title when the previous salvage title has been lost, mutilated, or destroyed.¶~~

~~(23) Except as otherwise provided in this section, information required on; the application shall be made by the person to whom the salvage title was originally issued, and the replacement salvage title shall be issued in the same name as the previous salvage title.¶~~

~~(a) If the owner of record has no knowledge of the disposition of the original salvage title, the person who has knowledge (e.g., current owner) may complete that portion of the replacement salvage title application that attests to the disposition of the original salvage title includes, but is not limited to:¶~~

(a) Information sufficient for DMV to identify the vehicle and locate the current vehicle record such as the vehicle make, year model, and vehicle identification number;

(b) The name and address of the registered owner;

(c) A certification that the salvage title was lost, mutilated or destroyed;

(d) The salvage title may be issued to someone other than the person to whom the previous salvage title was issued, or other unique identifier accepted by DMV if the application is signed, when:

(A) The owner of record is deceased, or his or her interest is otherwise transferred by operation of law; or
submitted by electronic means, of a person eligible to apply as described in section (4) of this rule; and

(B) The whereabouts of the owner are unknown, or they are otherwise unavailable to apply. "Unavailable to apply" shall not apply if the signature of someone other than the registered owner of record is an insurer currently doing business in this state, or dealer or a wrecker currently licensed under ORS Chapter 822 they are attesting to the disposition of the original title.

(34) The DMV will accept an Application for Replacement Salvage Title shall be in writing on a form provided by DMV, or (DMV Form 735-230), or an application in another format acceptable to DMV.

(4) Information required on the application shall include but shall not be limited to, that is completed by:

(a) Information sufficient for DMV to identify the vehicle and to locate the current record such as the vehicle make, year model, vehicle identification number and the Oregon registration plate number;
A security interest holder recorded on the salvage title;

(b) A lessor, if there is a lessor, and no security interest holder;

(c) The name and address of the vehicle owner;

(c) A certification as to the disposition of the previous salvage title;

(d) The signature of a registered owner, if there is no security interest holder or lessor;

(d) Someone of the owner to whom the replacement salvage title is to be issued; and

(e) If someone other than the owner of record is attesting to the disposition of the original title, or than the registered owner when the registered owner is deceased and interest is transferred to the applicant by operation of law; or

(e) Someone of their signature.

(5) In addition to the information required in section (4) of this rule, the owner may provide a claim or policy number or other than the registered owner when the person obtained a release from their reference number to be shown on the salvage title that shall:

(a) Be limited to alphabetic or numeric characters (or both); and

(b) Not exceed 16 characters;
registered owner and the salvage title was lost, mutilated or destroyed.

(65) Additional information or documents that may be required to be submitted in support of the application shall include but shall not be limited to:

(a) When the replacement salvage title is to be issued in a name other than the current owner of record DMV may accept an application for replacement salvage title with transfer of interest:

(A) If the owner of record's interest was transferred by operation of law, documents (e.g., sheriff's bills of sale, probate papers, lien foreclosure documents) evidencing that the interest of the owner of record no longer exist along with evidence that the current applicant has acquired an interest; or
established under ORS 803.102 or OAR 735-028-0010; or

(b) For a vehicle subject to odometer requirements when the transfer:

(B) If the owner of record is no longer available other evidence that they no longer have an interest, along with evidence that the current applicant has acquired an interest.

(b) An odometer disclosure, if the vehicle is a motor vehicle subject to odometer disclosure requirements, and the applicant for salvage title is some by operation of law;

(B) Is solely due to the creation, release, or assignment of a security interest and at least one owner remains the same; or

(C) Involves only the removal or addition of co-owners where at least one other owner than the current owner of record remains the same.

(76) The application shall must be accompanied by the fee for a replacement salvage title; and if ownership is being transferred as provided in paragraph (2)(b)(B) of this rule, the fee for transfer of the salvage title as provided in established ORS 803.090.

Statutory/Other Authority: ORS 184.619, 802.010, 803.819, 820, 821, 822 & Ch. 820 & 873, OL 1991.065, 803.140, 821.060

Statutes/Other Implemented: ORS 803.010, 803.045, 803.065, 803.090, 803.140