

ARTICLE 3. SALVAGE MOTOR VEHICLE REGULATIONS

Rule 1. Salvage Motor Vehicle Regulations

75 IAC 3-1-1 Purpose

Authority: IC 9-14-2-2; IC 9-22-1; IC 9-22-4

Affected: IC 9-13-2; IC 9-22

Sec.1. The purpose of these regulations is to provide procedures and directives to facilitate the administration by the Bureau of Motor Vehicles of issuing licenses to disposal facilities and automotive salvage rebuilders for certain business activities involving, or related to, the acquisition, rebuilding, recycling or disposal of salvage or distressed motor vehicles and major component parts of such vehicles. These rules and regulations are promulgated pursuant to the authority granted to the Commissioner of Motor Vehicles under IC 9-14-2-2. (*Secretary of State; 75 IAC 3-1-1; filed Apr 28, 1981, 9:35 a.m.: 4 IR 903; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-1) to the Secretary of State (75 IAC 3-1-1) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-2 Definitions

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-22

Sec.2. DEFINITIONS. The following are definitions for terms and phrases pertaining to these rules and regulations:

(1) Commissioner—The term "Commissioner" shall mean the Commissioner of the Bureau of Motor Vehicles of the State of Indiana.

(2) Salvage Motor Vehicle—As defined in IC 9-13-2-160.

(3) Source Vehicle—The term "source vehicle" shall mean a specific vehicle from which a major component part is removed.

(4) Major Component Parts—The term "major component parts" shall be those reusable parts obtained from salvage motor vehicles for which records shall be maintained by disposal facilities and automotive salvage rebuilders [*sic., in*] IC 9-22. Those major component parts which have been rebuilt, reconditioned, or restored by a production rebuilder acquiring such parts for refurbishing purposes shall not be subject to the provisions of these rules and regulations.

(5) Disposal Facility—As defined in IC 9-13-2-44.

(6) Automotive Salvage Rebuilder—As defined in IC 9-13-2-9.

(7) Model Year—The term "model year" shall mean the year designated by the manufacturer for production and product identification purposes which is used for titling, registration and recordkeeping purposes.

(8) V.I.N.—The term "V.I.N." shall mean the vehicle identification number as placed on the vehicle by the manufacturer or supplied by the Bureau of Motor Vehicles.

(9) Scrap Metal Processor—As defined in IC 9-13-2-162.

(10) Stock Number—The term "stock number" shall mean the number assigned by the disposal facility or automotive salvage rebuilder for the purpose of identifying a salvage motor vehicle or major component part at the respective business.

(11) Date—The term "date" shall mean the date of transfer of ownership as shown on the title, bill of sale, invoice, or other appropriate document.

(*Secretary of State; 75 IAC 3-1-2; filed Apr 28, 1981, 9:35 a.m.: 4 IR 904; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-2) to the Secretary of State (75 IAC 3-1-2) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-3 Major component parts subject to record keeping

Authority: IC 9-14-2-2

Affected: IC 9-22

Sec.3. MAJOR COMPONENT PARTS SUBJECT TO RECORDKEEPING. Major component parts subject to recordkeeping requirements as authorized under IC 9-22 are:

(1) Frame

- (2) Engine
- (3) Transmission
- (4) Trans-axle
- (5) Transfer Case
- (6) Differential Assembly
- (7) Axle Assembly
- (8) Cab
- (9) Hood
- (10) Fenders
- (11) Deck Lid
- (12) Doors (includes side and rear doors, hatches and gates)
- (13) Body (includes box or bed, as appropriate)
- (14) Front End Assembly (means the front body section consisting of hood, fenders, radiator support and bumper assembly, as a unit)
- (15) Center (cowl) Section (means a body section or clip which includes the cowl)
- (16) Rear Section (means a body section or clip, without the cowl, consisting of quarter sections, deck lid, and bumper assembly, as a unit).

Major component parts as they apply to a motorcycle shall include only the engine and frame. *(Secretary of State; 75 IAC 3-1-3; filed Apr 28, 1981, 9:35 a.m.: 4 IR 904; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-3) to the Secretary of State (75 IAC 3-1-3) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 3-1-4 Record keeping; parts marking

Authority: IC 9-14-2-2; IC 9-22-1

Affected: IC 9-22

Sec.4. RECORDKEEPING--PARTS MARKING. All major component parts which have been removed from acquired source vehicles or otherwise obtained shall be identified and marked with the V.I.N., serial number or stock number. Such number shall be recorded in the proper prescribed register in accordance with the provisions required under section 6 of this rule. *(Secretary of State; 75 IAC 3-1-4; filed Apr 28, 1981, 9:35 a.m.: 4 IR 904; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-4) to the Secretary of State (75 IAC 3-1-4) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 3-1-5 Sale of salvage motor vehicles or major component parts

Authority: IC 9-14-2-2; IC 9-22-1

Affected: IC 9-22

Sec.5. SALE OF SALVAGE MOTOR VEHICLES OR MAJOR COMPONENT PARTS. All bills of sale, where present, and invoices for salvage motor vehicles must contain the V.I.N. of the vehicle, and all bills of sale, where present, and invoices for major component parts must contain the assigned stock number. *(Secretary of State; 75 IAC 3-1-5; filed Apr 28, 1981, 9:35 a.m.: 4 IR 904; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-5) to the Secretary of State (75 IAC 3-1-5) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 3-1-6 Record keeping requirements for salvaging businesses

Authority: IC 9-14-2-2; IC 9-22-1

Affected: IC 9-22-4

Sec.6. The commissioner shall prescribe the format and the forms that must be used by each business licensed to carry on the business activities as outlined in IC 9-22-4. Each business shall record the purchase and sale of salvage motor vehicles and the purchase and sale of major component parts purchased or sold in the normal course of business operations. Two (2) main registers

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must be maintained by the disposal facilities and automotive salvage rebuilders as follows:

(1) A vehicle register shall be maintained and the following information recorded on all salvage motor vehicles purchased and sold:

- (A) The date of purchase and sale of each salvage motor vehicle.
- (B) The vehicle description and identification: model year, model type, make, and V.I.N.
- (C) The stock number.
- (D) The title number or other ownership document and the issuing authority.
- (E) The name and address of the business or person from whom the salvage motor vehicle was acquired, and the name and address of the person or business to whom the salvage motor vehicle was sold or otherwise disposed of.
- (F) The invoice number, if applicable, evidencing the purchase or acquisition of the salvage motor vehicle.
- (G) The invoice number, if applicable, evidencing the sale or disposed of the salvage motor vehicle.
- (H) Such other information as the commissioner may require.

(2) A major component parts register shall be maintained and the following information recorded on all major component parts purchased and sold:

(A) The following for major component parts removed from acquired vehicles:

- (i) The vehicle description and identification, including the V.I.N., serial number, stock number, or other reference number.
- (ii) The description and identification of the source vehicle of the major component part as contained in the vehicle register.
- (iii) The name and address of the person or business to whom the major component part was sold.
- (iv) The date and invoice number, if applicable, evidencing the sale of the major component part.
- (v) Such other information as the commissioner may require.

(B) For major component parts acquired from other than a salvage motor vehicle owned by the disposal facility or automotive salvage rebuilder, the major component parts register shall contain, in addition to those listed above in clause

(A), the following information:

- (i) The name and address of the person or business from whom the major component part was acquired.
- (ii) The date and invoice number, if applicable, evidencing the purchase or acquisition of the major component part.

(Secretary of State; 75 IAC 3-1-6; filed Apr 28, 1981, 9:35 a.m.: 4 IR 905; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Oct 17, 2001, 4:20 p.m.: 25 IR 911; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-6) to the Secretary of State (75 IAC 3-1-6) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-7 Alternative to prescribed forms

Authority: IC 9-14-2-2; IC 9-22-1

Affected: IC 9-22

Sec.7. ALTERNATIVE TO PRESCRIBED FORMS. Any disposal facility or automotive salvage rebuilder which wishes to generate information to be contained in the vehicle register and the major component parts register by a data processing report or other comparable report may submit such report format to the Commissioner for approval in lieu of utilizing the prescribed forms required by the Commissioner for such recordkeeping purposes. *(Secretary of State; 75 IAC 3-1-7; filed Apr 28, 1981, 9:35 a.m.: 4 IR 905; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-7) to the Secretary of State (75 IAC 3-1-7) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 3-1-8 Model years for record keeping purposes

Authority: IC 9-14-2-2

Affected: IC 9-22

Sec.8. MODEL YEARS FOR RECORDKEEPING PURPOSES. All disposal facilities or automotive salvage rebuilders shall keep and maintain records on the current model year and immediate four preceding model years for all salvage motor vehicles as

indicated in section 6 of this rule.

Example: During calendar year 1981, coverage shall apply to vehicles and major component parts designated as 1977 and newer model years, including 1982 models, when introduced. As of January 1, 1982, the 1977 model year is dropped, and 1978 becomes the oldest model year subject to coverage.

Any salvage motor vehicle or major component part which is subject to recordkeeping procedures by law and per these rules and regulations which has been acquired and entered into the vehicle register or major component parts register shall be subject to recordkeeping for disposal purposes even though the sale of such vehicle or part is beyond the five-year provisions of these rules and regulations. (*Secretary of State; 75 IAC 3-1-8; filed Apr 28, 1981, 9:35 a.m.: 4 IR 905; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-8) to the Secretary of State (75 IAC 3-1-8) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-9 Verification of seller's identity

Authority: IC 9-14-2-2

Affected: IC 9-22

Sec.9. VERIFICATION OF IDENTIFICATION OF PERSON OR BUSINESS. All disposal facilities or automotive salvage rebuilders must take reasonable steps to verify the identify of the person from whom a salvage motor vehicle or major component part is purchased. (*Secretary of State; 75 IAC 3-1-9; filed Apr 28, 1981, 9:35 a.m.: 4 IR 906; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-9) to the Secretary of State (75 IAC 3-1-9) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-10 Return of titles to Bureau of Motor Vehicles

Authority: IC 9-14-2-2

Affected: IC 9-22-3

Sec.10. RETURN OF TITLES TO BUREAU OF MOTOR VEHICLES. In accordance with the provisions of IC 9-22-3 all disposal facilities or automotive salvage rebuilders which shred, crush, bale or otherwise alter the vehicle frame and body so that they cannot be used on or as a motor vehicle, shall be responsible for returning to the Bureau of Motor Vehicles, on a monthly basis, the certificates of title for such vehicles. Disposal facilities and scrap metal processors which acquire motor vehicles in a crushed, baled or shredded condition are not required to obtain a certificate of title for such vehicles. (*Secretary of State; 75 IAC 3-1-10; 10; filed Apr 28, 1981, 9:35 a.m.: 4 IR 906; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-10) to the Secretary of State (75 IAC 3-1-10) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-11 Compliance with licensing requirement

Authority: IC 9-14-2-2; IC 9-22-4-12

Affected: IC 9-22

Sec.11. COMPLIANCE WITH LICENSING REQUIREMENT. It is the intent and purpose of these rules and regulations that if a proper application for license has been filed prior to March 1 of any year and remains under review after that date, the applicant shall be considered to be in reasonable compliance with the requirement to apply for and obtain the required license, pending issuance of the license or notice of rejection or denial of the application. If an application for license is rejected or denied, the license fee shall be returned to the applicant with a notice and explanation of such action. (*Secretary of State; 75 IAC 3-1-11; filed Apr 28, 1981, 9:35 a.m.: 4 IR 906; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-11) to the Secretary of State (75 IAC 3-1-11) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-12 Salvage motor vehicle license revocation and suspension

Authority: IC 9-14-2-2

Affected: IC 4-21.5; IC 9-22

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Sec.12. REVOCATION AND SUSPENSION OF A SALVAGE MOTOR VEHICLE LICENSE. The Commissioner, under IC 9-22 may revoke or suspend the license of a disposal facility or automotive salvage rebuilder after conducting a hearing under IC 4-21.5, and determining the administrative action that is required and justified.

(1) Cause for Suspension or Revocation-The Commissioner may suspend or revoke a license if it has been determined that:

- (A) The licensee made a material misrepresentation in the Application for License.
- (B) The licensee committed a fraudulent act in connection with his business activity.
- (C) The licensee committed a material violation of the information and recordkeeping requirements.
- (D) The licensee failed to surrender and return a Certificate of License upon suspension or revocation.
- (E) The licensee committed a violation of any rule or regulation of the Bureau of Motor Vehicles concerning salvage motor vehicles.

(2) Revocation-Any flagrant or repeated direct and material violation described in Paragraph A of this Rule shall be cause for revocation. Revocation shall be for the balance of the license year period. Revocation may be considered cause for subsequent denial of an application for license for a period of up to three years from the date of revocation.

(3) Suspension-Any direct and material violation described in Paragraph A of this Rule shall be cause for suspension. Such suspension shall be for a time certain, from a minimum of 30 days to a maximum of 12 months for each violation, and may extend beyond the end of a license year period. The Commissioner may, at his discretion, place a disposal facility or automotive salvage rebuilder on probation for up to one year for any material violation described in Paragraph A of this Rule.

(Secretary of State; 75 IAC 3-1-12; filed Apr 28, 1981, 9:35 a.m.: 4 IR 906; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-12) to the Secretary of State (75 IAC 3-1-12) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-13 Return of suspended or revoked licenses

Authority: IC 9-14-2-2; IC 9-22-4-12

Affected: IC 9-22

Sec.13. RETURN OF SUSPENDED OR REVOKED LICENSE. All licenses suspended or revoked by action of the Commissioner shall be returned to the Bureau of Motor Vehicles in person or by first class mail within 15 days from the date of the demand for the return of such license. In the event the license is not returned to the Commissioner, the Commissioner shall request a police officer or Bureau of Motor Vehicles enforcement officer to retrieve the license for the state. Failure to return such license is a violation of these rules and regulations and may result in an additional term of suspension or revocation. *(Secretary of State; 75 IAC 3-1-13; filed Apr 28, 1981, 9:35 a.m.: 4 IR 907; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-13) to the Secretary of State (75 IAC 3-1-13) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 3-1-14 Commissioner's cease and desist order

Authority: IC 9-14-2-2; IC 9-22-4-12

Affected: IC 9-22-4

Sec.14. ISSUANCE OF CEASE AND DESIST ORDER BY COMMISSIONER. All businesses engaged in the business activities as identified in IC 9-22-4 must be properly licensed to carry out such business activities and functions. Failure to obtain a license or having a license suspended or revoked by the Commissioner shall be cause for an order to cease and desist all such business activities to be issued by the Commissioner. The Commissioner shall notify the Superintendent of the Indiana State Police of all such orders issued to cease and desist business. *(Secretary of State; 75 IAC 3-1-14; filed Apr 28, 1981, 9:35 a.m.: 4 IR 907; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-14) to the Secretary of State (75 IAC 3-1-14) by P.L.106-2008, SECTION 54, effective July 1, 2008.*

75 IAC 3-1-15 License reinstatement

Authority: IC 9-14-2-2; IC 9-22-4-12

Affected: IC 9-22-4

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Sec.15. REINSTATEMENT OF REVOKED LICENSE. Any person who has had his license for any disposal facility or automotive salvage rebuilder revoked by the Commissioner may apply for a reinstatement of such license or a renewal license no sooner than 30 days prior to the end of the revocation period. (*Secretary of State; 75 IAC 3-1-15; filed Apr 28, 1981, 9:35 a.m.: 4 IR 907; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-15) to the Secretary of State (75 IAC 3-1-15) by P.L.106-2008, SECTION 54, effective July 1, 2008.

75 IAC 3-1-16 General applicability

Authority: IC 9-14-2-2; IC 9-22-4-12

Affected: IC 9-13-2-9; IC 9-22

Sec.16. GENERAL APPLICABILITY OF THESE RULES AND REGULATIONS. Any person or business not normally carrying on the business functions of a disposal facility or automotive salvage rebuilder but who conducts business activities of a disposal facility or automotive salvage rebuilder as defined in IC 9-13-2-9, may, upon investigation by the Commissioner, be classified as a disposal facility or automotive salvage rebuilder and be subject to the licensing provisions and recordkeeping requirements of IC 9-22, and these rules and regulations. (*Secretary of State; 75 IAC 3-1-16; filed Apr 28, 1981, 9:35 a.m.: 4 IR 907; errata filed Aug 10, 1992, 3:00 p.m.: 15 IR 2594; readopted filed Jul 30, 2001, 10:25 a.m.: 24 IR 4228; readopted filed Nov 14, 2007, 1:31 p.m.: 20071212-IR-140070562RFA*) NOTE: Transferred from the Bureau of Motor Vehicles (140 IAC 3-3-16) to the Secretary of State (75 IAC 3-1-16) by P.L.106-2008, SECTION 54, effective July 1, 2008.

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