**Memorandum**

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| **Identifying Information:** | **New Salvage and Rebuilt Salvage Title Brands** |

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| **Tax Type:** | **Vehicles** |
| **Brief Description:** | **Explanation to interested parties of provisions of House Bill 2561 from the 2000 Legislative Session.** |
| **Keywords:** |  |
| **Approval Date:** | **06/19/2000** |

**Body:**

**Division of Vehicles**

**TO:** Kansas County Treasurers
Kansas Insurance Commissioner
Kansas Automobile Dealers Association
Kansas Independent Automobile Dealers Association
Kansas Auto Recyclers Association
Salvage Pools

**FROM:** Sheila J. Walker

**DATE:** June 19, 2000

**RE:** New Salvage and Rebuilt Salvage Title Brands

Starting July 1, 2000, Kansas will begin issuing new “salvage” and “rebuilt salvage” brands on certificates of title. These new brands will replace the old “non-highway” brands being used today.

**The Basics**

There will be three new title brands:

**Salvage** – the vehicle is a hazard to public safety, requiring substantial repairs.

**Rebuilt salvage** – the vehicle is restored after it had the salvage brand.

**Non-repairable** – the vehicle is incapable of safe operation on the roadways and has no resale value except as a source of parts or scrap.

Any person or company who takes ownership of a non-repairable vehicle must apply for a
non-repairable title within 30 days. Insurance companies are required to notify the Kansas Division of Vehicles of non-repairable vehicles whether they take ownership of the vehicle or not. Non-repairable vehicles can be sold only to licensed salvage dealers or scrap processors. Applications for non-repairable titles will be taken at county treasurers’ offices.

Regular titles issued after July 1, 2000, will be blue, with a green column down the middle.
Non-repairable titles will be pink.

There are three reasons Kansas will continue to issue “non-highway” titles after July 1, 2000:

1.) Liability insurance is discontinued on a vehicle.

2.) Vehicle is not manufactured for street use (ATVs).

3.) Vehicles are manufactured as implements of husbandry.

Memo on Salvage Title Brands
Page 2
June 19, 2000

Current “non-highway” titles and current “formerly non-highway” titles will keep these brands after July 1. Current “non-highway” titles “due to salvage” will be re-branded as “salvage” (or “rebuilt salvage” if the vehicle is restored) upon transfer of ownership.

**The Details**

The **salvage** brand will be printed on the title when the vehicle has been wrecked or damaged to the extent that: The equipment required by state statute on any such vehicle used on the highways of this state is not present or is not in good condition or proper adjustment, or such vehicle is in an inoperable condition or a condition that would render the operations thereof on the highways of this state a hazard to the public safety; and in either event, such vehicle would require substantial repairs to rebuild or restore such vehicle to a condition which would permit the registration of such vehicle.

The **rebuilt salvage** brand will be printed on the title for any vehicle that was previously issued a salvage title. The vehicle must first be inspected by the Kansas Highway Patrol.

A **non-repairable** title will be issued when any motor vehicle has been damaged, destroyed, wrecked, burned or submerged in water to the extent that such motor vehicle is incapable of safe operation for use on the roads or highways and has no resale value except as a source of parts or scrap only; or the owner irreversibly designates as a source of parts or scrap. A non-repairable certificate of title can only be transferred to a scrap processor or licensed salvage dealer and shall be dismantled, disassembled or recycled and may not be sold as a unit at retail. Any person or company (an individual or insurance company) who takes ownership of a non-repairable vehicle must apply for a non-repairable certificate of title within 30 days. If an insurance company settles a claim for a non-repairable vehicle, but does not take ownership of the vehicle, the insurance company must notify the Division of Vehicles that the vehicle has been designated as a non-repairable vehicle. When notifying the Division, please include the vehicle’s make, year, complete vehicle identification number (VIN), and the name of the last owner.

The 2000 Kansas Legislature passed the law bringing these changes into effect July 1, 2000. For a complete copy of the bill, look on the Internet at: [http://www.ink.org](http://www.ink.org/). Pull up the enrolled version of House Bill 2561.

If you have any questions about salvage, rebuilt salvage or non-repairable title brands, please call Titles & Registrations at (785) 296-3621.

Please help us get the word out about these new title brands. Feel free to pass this memo on to your constituents and association members.

**Date Composed: 06/27/2000 Date Modified: 10/09/2001**