

ARTICLE 3. SALVAGE VEHICLE REGULATIONS

Rule 1. Salvage Vehicle Regulations

75 IAC 3-1-1 Purpose

Authority: IC 9-32-3-1

Affected: IC 9-13-2; IC 9-22; IC 9-32

Sec. 1. The purpose of these regulations is to provide procedures and directives to facilitate the administration by the secretary of state of issuing licenses to automotive salvage recyclers for certain activities involving, or related to, the acquisition, sale, rebuilding, recycling, destruction, or disposal of salvage vehicles and major component parts of vehicles. These rules and regulations are promulgated pursuant to the authority granted to the secretary of state under IC 9-32-3-1. (*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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*) 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75 IAC 3-1-2 Definitions (Repealed)

Sec. 2. (*Repealed by Secretary of State; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*)

75 IAC 3-1-2.1 Definitions

Authority: IC 9-32-3-1

Affected: IC 4-5-1-1; IC 9-13-2; IC 9-22; IC 9-32

Sec. 2.1. The following definitions apply throughout this article:

- (1) "Automotive salvage recycler" has the meaning set forth in IC 9-13-2-10.
- (2) "Center section" means a body section or clip of a motor vehicle that includes the cowl.
- (3) "Front end assembly" means the front body section of a motor vehicle consisting of hood, fenders, radiator support, and bumper assembly, as a unit.
- (4) "Major component parts" has the meaning set forth in IC 9-13-2-95. Those major component parts that have been rebuilt, reconditioned, or restored by a production rebuilder acquiring such parts for refurbishing purposes shall not be subject to the provisions of this rule.
- (5) "Model year" means the year designated by the manufacturer for production and product identification purposes that is used for titling, registration, and record keeping purposes.
- (6) "Rear section" means a body section or clip of a motor vehicle, without the cowl, consisting of quarter sections, deck lid, and bumper assembly, as a unit.
- (7) "Salvage vehicle" has the meaning set forth in IC 9-13-2-160.
- (8) "Scrap metal processor" has the meaning set forth in IC 9-13-2-162.
- (9) "Secretary" refers to the secretary of state holding office as set forth in IC 4-5-1-1.
- (10) "Source vehicle" means a specific vehicle from which a major component part is removed.
- (11) "Stock number" means the number assigned by the automotive salvage recycler for the purpose of identifying a salvage vehicle or major component part at the respective business.
- (12) "V.I.N." means the vehicle identification number as placed on the vehicle by the manufacturer or supplied by the bureau of motor vehicles.

(*Secretary of State; 75 IAC 3-1-2.1; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*)

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

Authority: IC 9-32-3-1

Affected: IC 9-22; IC 9-32

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Sec. 3. Major component parts subject to record keeping requirements under IC 9-32-9-15 include the following:

- (1) Axle assembly.
- (2) Body (includes box or bed, as appropriate).
- (3) Cab.
- (4) Center section.
- (5) Deck lid.
- (6) Differential assembly.
- (7) Doors (includes side and rear doors, hatches, and gates).
- (8) Engine.
- (9) Fenders.
- (10) Frame.
- (11) Front end assembly.
- (12) Hood.
- (13) Rear section.
- (14) Trans-axle.
- (15) Transfer case.
- (16) Transmission.

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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*) 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 (Repealed)

Sec. 4. (*Repealed by Secretary of State; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*)

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

Authority: IC 9-32-3-1

Affected: IC 9-22; IC 9-32

Sec. 5. (a) A bill of sale, where present, and an invoice for a salvage vehicle must contain the V.I.N. of the vehicle the person is purchasing.

(b) A purchaser may request that a bill of sale, where present, and invoice for a major component part must contain the V.I.N. and assigned stock number of the major component part the person is purchasing.

(c) An automotive salvage recycler shall comply with a request made under subsection (b). (*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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*) 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 9-32-3-1

Affected: IC 9-22; IC 9-32

Sec. 6. (a) The secretary shall prescribe the format and the forms that must be used by an automotive salvage recycler to carry on the activities as outlined in IC 9-32-9-15, IC 9-32-9-16, IC 9-32-9-29, and IC 9-32-9. As detailed in subsection (b), each

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automotive salvage recycler shall record the purchase and sale of salvage vehicles and major component parts that are in either their current model year or in the immediately preceding six (6) model years when purchased by an automotive salvage recycler.

(b) In addition to the record keeping requirements in IC 9-22, records must be maintained by the automotive salvage recycler as follows:

(1) The following information shall be recorded on a form prescribed by the secretary for all salvage vehicles purchased or sold:

- (A) The stock number and serial number.
- (B) The title number or other ownership document and the issuing authority.
- (C) The name and address of the person to whom the salvage vehicle was sold or otherwise disposed of.
- (D) The invoice number, if applicable, evidencing the purchase or acquisition of the salvage vehicle.
- (E) The invoice number, if applicable, evidencing the sale or disposal of the salvage vehicle.
- (F) Such other information as the secretary may require.

(2) The following information shall be recorded on a form prescribed by the secretary for all major component parts purchased or 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, if that information was requested to be included on the bill of sale or invoice by the purchaser as provided in section 5(b) of this rule.
- (ii) The description and identification of the source vehicle of the major component part as contained in the records created pursuant to subdivision (1), if that information was requested to be included on the bill of sale or invoice by the purchaser as provided in section 5(b) of this rule.
- (iii) The name and address of the person 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 secretary may require.

(B) For major component parts acquired from other than a salvage vehicle owned by the automotive salvage recycler, the following information must also be recorded and maintained:

- (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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA) 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 9-22-1; IC 9-32-3-1

Affected: IC 9-22

Sec. 7. Any automotive salvage recycler subject to record keeping requirements prescribed by the secretary of state may, in lieu of utilizing the prescribed forms required by the secretary of state for such record keeping purposes, use alternative record keeping methods as approved by the secretary. *(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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA) 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 9-32-3-1
Affected: IC 9-22

Sec. 8. All disposal facilities or automotive salvage recyclers shall keep and maintain records on the current model year and immediate six (6) preceding model years for all salvage vehicles as indicated in section 6 of this rule. Any salvage vehicle or major component part that is subject to record keeping procedures by law and per these rules and regulations that has been acquired and entered into the automotive salvage recycler's records shall be subject to record keeping for disposal purposes even though the sale of such vehicle or part is beyond the seven-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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*) 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 9-32-3-1
Affected: IC 9-22; IC 9-32

Sec. 9. (a) All automotive salvage recyclers must take reasonable steps to verify the identity of the person from whom a salvage vehicle or major component part is purchased.

(b) Reasonable steps include, but are not limited to, asking the individual selling the salvage vehicle or major component part to present at the time of sale a valid and unexpired government issued identification document bearing an image of the seller or seller's agent. (*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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*) 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 9-32-3-1
Affected: IC 9-22; IC 9-32

Sec. 10. In accordance with the provisions of IC 9-22-3 and IC 9-22-5 an automotive salvage recycler that shreds, crushes, bales, or otherwise alters a salvage vehicle frame and body so that they cannot be used on or as a motor vehicle, shall be responsible for returning to the bureau the certificate of title or certificate of authority for the salvage vehicle, except as permitted by IC 9-32-9-29. Automotive salvage recyclers that 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; 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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*) 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 3-1-10.1 Automotive salvage recycler initial license application

Authority: IC 9-32-3-1
Affected: IC 9-13-2; IC 9-32

Sec. 10.1. (a) In addition to the requirements in IC 9-32, a person applying to be licensed as an automotive salvage recycler must submit with the application:

(1) a copy of a valid photographic identification card issued by a government agency to each individual listed on the

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application as an owner, partner, or officer, including the person signing the application if different; and

(2) photographs of the dealer's established place of business including, at a minimum, the dealer's office, the advertising sign required by this rule, and the interior and exterior of the dealer's established place of business.

Printed photographs must not be less than three (3) inches by five (5) inches in size. The photographs must be updated if the automotive salvage recycler moves locations or if its physical facilities are substantially altered or modified. Digital photographs must be unaltered and verifiable.

(b) The name of the business and the address of the automotive salvage recycler as stated on all documents submitted with the application must match the name and address of the automotive salvage recycler as stated on the application. An exemption for this requirement may be given at the secretary of state's discretion so long as there are no concerns regarding the qualifications and eligibility of the applicant to receive the license or the ability of the applicant to conduct properly the business for which the application is submitted. (*Secretary of State; 75 IAC 3-1-10.1; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*)

75 IAC 3-1-10.2 Established place of business

Authority: IC 9-13-2-42; IC 9-32-3-1

Affected: IC 9-13; IC 9-32

Sec. 10.2. (a) This section applies to all automotive salvage recyclers making initial application for a license.

(b) Beginning January 1, 2019, the secretary may not renew an automotive salvage recycler license if the automotive salvage recycler is not in compliance with this section.

(c) In addition to the requirements in IC 9-32 and IC 9-13, the established place of business at which an automotive salvage recycler is licensed or applying to be licensed must meet the following requirements:

(1) Is located in Indiana and has an Indiana address that is not:

(A) an Indiana post office box address; or

(B) a location that functions like a mailbox box facility.

(2) Has a conspicuous permanent sign identifying the automotive salvage recycler by the name in which the automotive salvage recycler is licensed or applying to be licensed.

(3) Has sufficient space to accommodate the storage of the kind and type of vehicles in which the automotive salvage recycler is licensed to deal.

(d) In addition to the requirements in subsection (c), IC 9-32, and IC 9-13, the established place of business at which an automotive salvage recycler is licensed or applying to be licensed must meet the following requirements if the automotive salvage recycler engages or intends to engage in retail sales of salvage or rebuilt vehicles or major component parts sourced from salvage vehicles to the general public:

(1) Has customer parking.

(2) Is accessible by the public.

(3) Has space to accommodate the display of the kind and type of vehicles in which the automotive salvage recycler is licensed to deal.

(4) Contains an office that meets the following requirements:

(A) At least one hundred (100) square feet in size.

(B) Equipped with office furniture such as a desk, chairs, and filing cabinets.

(C) Served with utilities including:

(i) electricity;

(ii) lighting;

(iii) heat;

(iv) operational plumbing; and

(v) a business telephone.

(D) Reflective of functional use and operation of the license.

An exemption for the requirements in clauses (A) through (C) may be given at the secretary's discretion so long as there are no concerns regarding the qualifications and eligibility of the applicant to receive the license or the ability of the applicant to conduct properly the business for which the application is submitted.

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(5) The sign required by subsection (c)(2) also identifies the automotive salvage recycler's hours of operation. (Secretary of State; 75 IAC 3-1-10.2; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA)

75 IAC 3-1-10.3 Automotive salvage recycler license renewal

Authority: IC 9-32-3-1; IC 9-32-11-8
Affected: IC 9-32-9; IC 9-32-11

Sec. 10.3. (a) Application for renewal of an automotive salvage recycler license must be on a form prescribed by the secretary and be accompanied by the following:

- (1) The applicable fee.
- (2) Proof of current bond as required by IC 9-32-11-2(e).
- (3) Proof of current liability insurance or current membership in a risk retention group as required by IC 9-32-11-14.

(b) If requested by the secretary, application for renewal of an automotive salvage recycler license must include proof that the automotive salvage recycler is in good standing with the:

- (1) bureau of motor vehicles;
- (2) department of state revenue;
- (3) state police department; or
- (4) department of environmental management.

(Secretary of State; 75 IAC 3-1-10.3; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA)

75 IAC 3-1-11 Compliance with licensing requirement (Repealed)

Sec. 11. (Repealed by Secretary of State; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA)

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

Sec. 12. (Repealed by Secretary of State; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA)

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

Sec. 13. (Repealed by Secretary of State; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA)

75 IAC 3-1-14 Cease and desist order

Authority: IC 9-32-3-1
Affected: IC 9-22; IC 9-32

Sec. 14. All persons engaged in the activities as identified in IC 9-32-9-1 must be properly licensed to carry out such activities and functions. Failure to obtain a license under IC 9-32-9 or engaging in activities that require a license while a license issued under IC 9-32-9 is suspended or revoked by the secretary shall be cause for an order to cease and desist all such activities to be issued by the secretary. The secretary shall notify the superintendent of the Indiana state police of all such orders issued to cease and desist. (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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA) 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 (Repealed)

Sec. 15. (Repealed by Secretary of State; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA)

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75 IAC 3-1-16 General applicability

Authority: IC 9-32-3-1

Affected: IC 9-13-2; IC 9-22; IC 9-32

Sec. 16. Any person carrying on the functions of an automotive salvage recycler is classified as an automotive salvage recycler and is subject to the licensing provisions and record keeping requirements of IC 9-22, IC 9-32, 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; readopted filed Nov 13, 2013, 3:25 p.m.: 20131211-IR-075130451RFA; filed Dec 14, 2017, 1:11 p.m.: 20180110-IR-075160433FRA*) 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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