

I MINA' TRENTAI TRES NA LIHESLATURAN GUÅHAN
2016 (SECOND) Regular Session

Bill No. 403-33 (LS)

Introduced by:

V. Anthony Ada 

**AN ACT TO AMEND §7117 OF 16GCA RELATIVE TO
REQUIRING THE ISSUE OF SALVAGE TITLE
CERTIFICATES OF OWNERSHIP FOR VEHICLES
TRANSFERRED TO INSURANCE COMPANIES AS A
RESULT OF PAYMENT OF CLAIMS FOR TOTAL LOSS.**

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1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1.** Section 7117 of 16GCA is *amended* to read as follows:

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4 **§7117. Certificate: Contents.**

5 (a) The certificate of ownership shall contain upon the face thereof the identical
6 information required upon the face of the registration card.

7 (b) The certificate of ownership shall contain upon the reverse side, forms for
8 notice to the Department of a transfer of the title or interest of the owner or legal
9 owner and application for such transfer by the transferee.

10 (c) The certificate of ownership of a vehicle where title is acquired by an insurance
11 company as a result of payment of an insurance claim shall prominently display the
12 words "Salvage Title" on said certificate. The words "Salvage Title" shall remain
13 on the certificate title in perpetuity for all successive owners of said vehicle or any
14 secondary vehicle from which said vehicle's chassis or parts of said vehicle's
15 chassis is used to repair, replace or refurbish the secondary vehicle.

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17 Failure to disclose such insurance claim information, *supra*, to the Department of
18 Revenue and Taxation when transferring ownership is a civil violation and subject

1 to a fine of not less than Five Hundred Dollars (\$500). For purposes of this
2 subsection, *salvage* refers to any vehicle for which an insurance company has
3 deemed not economically feasible to repair.

4 (d) An insurance company that obtains ownership by payment of a claim for the
5 full insured value of a vehicle shall obtain a salvage title certificate of ownership,
6 within ten (10) days of the payment of such claim (weekends and government of
7 Guam holidays excepted), from the Department of Revenue and taxation prior to
8 selling or otherwise disposing of the vehicle. The Department of Revenue and
9 Taxation may charge said insurance company a fee not to exceed Three Dollars
10 (\$3.00). Subsequent sales or transfers of a vehicle with a salvage title shall be
11 subject to a fee of Twenty Five Dollars (\$25). Fee revenues herein shall be
12 deposited in the Better Public Service Fund and are continually appropriated the
13 Motor Vehicle Division of the Department of Revenue and Taxation.

14 (e) In the event that an insurance company pays a claim for the full insured value
15 of a vehicle and allows the insured to retain ownership of the vehicle, the insurance
16 company shall, within ten (10) days of the payment of such claim (weekends and
17 government of Guam holidays excepted) notify the Motor Vehicle Division of the
18 Department of Revenue and Taxation of such claim. Subsequent transfers of
19 ownership of said vehicles, *supra*, this subsection shall be issued a salvage title
20 certificate of ownership.

21 (f) A vehicle that receives a salvage title certificate of ownership may be registered
22 for use on Guam's public roadways provided that such vehicle is deemed safe for
23 use on public roads by a ~~manufacturer authorized~~ licensed repair shop.