

As Passed by the Senate

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Am. Sub. S. B. No. 273

Senator Faber

**Cosponsors: Senators Daniels, Hite, Lehner, Manning, Eklund, Wagoner,
Burke, Jones, Jordan, Brown, Bacon, Coley, Peterson**

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A B I L L

To amend sections 505.871, 4501.25, 4505.061,	1
4505.11, 4738.01, 4738.02, 4738.03, 4738.17, and	2
4738.99, to enact sections 3937.19, 4738.021,	3
4738.022, 4738.023, and 4738.031, and to repeal	4
section 4738.18 of the Revised Code to permit a	5
motor vehicle salvage dealer or scrap metal	6
processing facility to obtain a salvage	7
certificate of title to a junk motor vehicle under	8
certain circumstances, to permit salvage motor	9
vehicle auctions and pools to auction and sell	10
salvage motor vehicles to persons other than motor	11
vehicle salvage dealers, to permit a person whose	12
acquisition and disposal of salvage motor vehicles	13
is incidental to the person's primary business to	14
sell salvage motor vehicles at retail to or	15
through a salvage motor vehicle auction or pool,	16
to require salvage motor vehicle auctions and	17
pools to keep an electronic record of all sales of	18
salvage motor vehicles, and to make other changes	19
in the motor vehicle salvage dealer law.	20

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 505.871, 4501.25, 4505.061, 4505.11, 21
4738.01, 4738.02, 4738.03, 4738.17, and 4738.99 be amended and 22
sections 3937.19, 4738.021, 4738.022, 4738.023, and 4738.031 of 23
the Revised Code be enacted to read as follows: 24

Sec. 505.871. (A) A board of township trustees may provide, 25
by resolution, for the removal of any vehicle in the 26
unincorporated territory of the township that the board determines 27
is a junk motor vehicle, as defined in section 505.173 of the 28
Revised Code. 29

(B) If a junk motor vehicle is located on public property, 30
the board of township trustees may provide in the resolution for 31
the immediate removal of the vehicle. 32

(C)(1) If a junk motor vehicle is located on private 33
property, the board of township trustees may provide in the 34
resolution for the removal of the vehicle not sooner than fourteen 35
days after the board serves written notice of its intention to 36
remove or cause the removal of the vehicle on the owner of the 37
land and any holders of liens of record on the land. 38

(2) The notice provided under this division shall generally 39
describe the vehicle to be removed and indicate all of the 40
following: 41

(a) The board has determined that the vehicle is a junk motor 42
vehicle. 43

(b) If the owner of the land fails to remove the vehicle 44
within fourteen days after service of the notice, the board may 45
remove or cause the removal of the vehicle. 46

(c) Any expenses the board incurs in removing or causing the 47
removal of the vehicle may be entered upon the tax duplicate and 48
become a lien upon the land from the date of entry. 49

(3) The board shall serve the notice under this division by 50
sending it by certified mail, return receipt requested, to the 51
owner of the land, if the owner resides in the unincorporated 52
territory of the township or if the owner resides outside the 53
unincorporated territory of the township and the owner's address 54
is known or ascertainable through an exercise of reasonable 55
diligence. The board also shall send notice in such manner to any 56
holders of liens of record on the land. If a notice sent by 57
certified mail is refused or unclaimed, or if an owner's address 58
is unknown and cannot reasonably be ascertained by an exercise of 59
reasonable diligence, the board shall publish the notice once in a 60
newspaper of general circulation in the township before the 61
removal of the vehicle, and, if the land contains any structures, 62
the board also shall post the notice on the principal structure on 63
the land. 64

A notice sent by certified mail shall be deemed to be served 65
for purposes of this section on the date it was received as 66
indicated by the date on a signed return receipt. A notice given 67
by publication shall be deemed to be served for purposes of this 68
section on the date of the newspaper publication. 69

(D) The board of township trustees may cause the removal or 70
may employ the labor, materials, and equipment necessary to remove 71
a junk motor vehicle under this section. All expenses incurred in 72
removing or causing the removal of a junk motor vehicle, when 73
approved by the board, shall be paid out of the township general 74
fund from moneys not otherwise appropriated, except that if the 75
expenses exceed five hundred dollars, the board may borrow moneys 76
from a financial institution to pay the expenses in whole or in 77
part. 78

(E) The board of township trustees may utilize any lawful 79
means to collect the expenses incurred in removing or causing the 80
removal of a junk motor vehicle under this section, including any 81

fees or interest paid to borrow moneys under division (D) of this 82
section. The board may direct the township fiscal officer to 83
certify the expenses and a description of the land to the county 84
auditor, who shall place the expenses upon the tax duplicate as a 85
lien upon the land to be collected as other taxes and returned to 86
the township general fund. 87

(F)(1) As used in this division: 88

(a) "Motor vehicle salvage dealer" has the same meaning as in 89
section 4738.01 of the Revised Code. 90

(b) "Scrap metal processing facility" has the same meaning as 91
in section 4737.05 of the Revised Code. 92

(2) Notwithstanding section 4513.63 of the Revised Code, the 93
clerk of courts of the county where a junk motor vehicle that is 94
removed and disposed of in accordance with this section shall 95
issue a salvage certificate of title for that junk motor vehicle 96
to a motor vehicle salvage dealer licensed pursuant to Chapter 97
4738. of the Revised Code or a scrap metal processing facility 98
licensed pursuant to sections 4737.05 to 4737.12 of the Revised 99
Code if all of the following conditions are satisfied: 100

(a) The board of township trustees has entered into a 101
contract with the motor vehicle salvage dealer or scrap metal 102
processing facility for the disposal or removal of the junk motor 103
vehicle in accordance with section 505.85 of the Revised Code. 104

(b) The fiscal officer for the board of township trustees 105
executes in triplicate an affidavit prescribed by the registrar of 106
motor vehicles describing the junk motor vehicle and the manner of 107
removal or disposal and certifying that all requirements of this 108
section and the notice and records search requirements of section 109
4505.101 of the Revised Code have been satisfied. 110

(c) The board of township trustees retains the original 111
affidavit for the board's records and furnishes the remaining two 112

copies of the affidavit to the motor vehicle salvage dealer or 113
scrap metal processing facility. 114

(d) The motor vehicle salvage dealer or scrap metal 115
processing facility presents one copy of the affidavit to the 116
clerk. 117

(3) The clerk shall issue the salvage certificate of title, 118
free and clear of all liens and encumbrances, not later than 119
thirty days after the motor vehicle salvage dealer or scrap metal 120
processing facility presents the affidavit pursuant to division 121
(F)(2) of this section. 122

(G) Notwithstanding section 4513.65 of the Revised Code, but 123
subject to division ~~(G)~~(H)(2) of this section, any collector's 124
vehicle that meets the definition of a junk motor vehicle is 125
subject to removal under this section. 126

~~(G)~~(H)(1) Nothing in this section affects the authority of a 127
board of township trustees to adopt and enforce resolutions under 128
section 505.173 of the Revised Code to regulate the storage of 129
junk motor vehicles on private or public property in the 130
unincorporated territory of the township. 131

(2) A resolution adopted under this section is subject to the 132
same restrictions specified in division (A) of section 505.173 of 133
the Revised Code for resolutions adopted under that section. 134

Sec. 3937.19. If a person purchases a motor vehicle in good 135
faith, if the purchaser is subsequently permanently divested of 136
the right of ownership or possession to that motor vehicle because 137
a court or other law enforcement entity has determined that the 138
certificate of title or vehicle identification number has been 139
falsified or otherwise tampered with or that the motor vehicle was 140
stolen, and if the purchaser has insurance coverage on the motor 141
vehicle that covers damage to or the loss of the motor vehicle, 142

the purchaser may submit a claim to the purchaser's insurance 143
company for the loss of the motor vehicle. 144

An insurance company that holds a current policy on a motor 145
vehicle that covers damage to or the loss of the vehicle for which 146
a claim is made under this division shall pay the claim in an 147
amount not less than the value of the motor vehicle at the time 148
the purchaser was divested of ownership or possession and not 149
greater than the amount for which the vehicle was insured. 150

Sec. 4501.25. There is hereby created in the state treasury 151
the state bureau of motor vehicles fund. The fund shall consist of 152
all money collected by the registrar of motor vehicles, including 153
taxes, fees, and fines levied, charged, or referred to in Chapters 154
4501., 4503., 4505., 4506., 4507., 4509., 4510., 4511., 4517., 155
4519., and 4521., and sections ~~3123.59~~, 2935.27, 2937.221, 156
3123.59, 4738.06, and 4738.13, ~~and 4738.18~~ of the Revised Code 157
unless otherwise designated by law. The fund shall be used to pay 158
the expenses of administering the law relative to the powers and 159
duties of the registrar of motor vehicles. All investment earnings 160
of the fund shall be retained by the fund. 161

Sec. 4505.061. If the application for a certificate of title 162
refers to a motor vehicle last previously registered in another 163
state, the application shall be accompanied by a physical 164
inspection certificate issued by the department of public safety 165
verifying the make, body type, model, and manufacturer's vehicle 166
identification number of the motor vehicle for which the 167
certificate of title is desired. The physical inspection 168
certificate shall be in such form as is designated by the 169
registrar of motor vehicles. The physical inspection of the motor 170
vehicle shall be made at a deputy registrar's office, or at an 171
established place of business operated by a licensed motor vehicle 172

dealer. Additionally, the physical inspection of a salvage vehicle 173
owned by an insurance company may be made at an established place 174
of business operated by a ~~salvage~~ motor vehicle salvage dealer, 175
salvage motor vehicle auction, or salvage motor vehicle pool 176
licensed under Chapter 4738. of the Revised Code. The deputy 177
registrar, ~~the~~ motor vehicle dealer, ~~or the salvage~~ motor vehicle 178
salvage dealer, salvage motor vehicle auction, or salvage motor 179
vehicle pool may charge a maximum fee of ~~two dollars and~~ 180
~~seventy five cents commencing on July 1, 2001, three dollars and~~ 181
~~twenty five cents commencing on January 1, 2003, and three dollars~~ 182
~~and fifty cents commencing on January 1, 2004,~~ for conducting the 183
physical inspection. 184

The clerk of the court of common pleas shall charge a fee of 185
one dollar and fifty cents for the processing of each physical 186
inspection certificate. The clerk shall retain fifty cents of the 187
one dollar and fifty cents so charged and shall pay the remaining 188
one dollar to the registrar by monthly returns, which shall be 189
forwarded to the registrar not later than the fifth day of the 190
month next succeeding that in which the certificate is received by 191
the clerk. The registrar shall pay such remaining sums into the 192
state bureau of motor vehicles fund established by section 4501.25 193
of the Revised Code. 194

Sec. 4505.11. (A) Each owner of a motor vehicle and each 195
person mentioned as owner in the last certificate of title, when 196
the motor vehicle is dismantled, destroyed, or changed in such 197
manner that it loses its character as a motor vehicle, or changed 198
in such manner that it is not the motor vehicle described in the 199
certificate of title, shall surrender the certificate of title to 200
that motor vehicle to a clerk of a court of common pleas, and the 201
clerk, with the consent of any holders of any liens noted on the 202
certificate of title, then shall enter a cancellation upon the 203
clerk's records and shall notify the registrar of motor vehicles 204

of the cancellation. 205

Upon the cancellation of a certificate of title in the manner 206
prescribed by this section, any clerk and the registrar of motor 207
vehicles may cancel and destroy all certificates and all 208
memorandum certificates in that chain of title. 209

(B)(1) If an Ohio certificate of title or salvage certificate 210
of title to a motor vehicle is assigned to a salvage dealer, the 211
dealer is not required to obtain an Ohio certificate of title or a 212
salvage certificate of title to the motor vehicle in the dealer's 213
own name if the dealer dismantles or destroys the motor vehicle, 214
indicates the number of the dealer's motor vehicle salvage 215
dealer's license on it, marks "FOR DESTRUCTION" across the face of 216
the certificate of title or salvage certificate of title, and 217
surrenders the certificate of title or salvage certificate of 218
title to a clerk of a court of common pleas as provided in 219
division (A) of this section. If the salvage dealer retains the 220
motor vehicle for resale, the dealer shall make application for a 221
salvage certificate of title to the motor vehicle in the dealer's 222
own name as provided in division (C)(1) of this section. 223

(2) At the time any salvage motor vehicle is sold at auction 224
or through a pool, the salvage motor vehicle auction or salvage 225
motor vehicle pool shall give a copy of the certificate of salvage 226
title or a copy of the certificate of title marked "FOR 227
DESTRUCTION" to the purchaser. 228

(C)(1) When an insurance company declares it economically 229
impractical to repair such a motor vehicle and has paid an agreed 230
price for the purchase of the motor vehicle to any insured or 231
claimant owner, the insurance company shall receive the 232
certificate of title and the motor vehicle and proceed as follows. 233
Within thirty days, the insurance company shall deliver the 234
certificate of title to a clerk of a court of common pleas and 235
shall make application for a salvage certificate of title. The 236

clerk shall issue the salvage certificate of title on a form, 237
prescribed by the registrar, that shall be easily distinguishable 238
from the original certificate of title and shall bear the same 239
information as the original certificate of title except that it 240
may bear a different number than that of the original certificate 241
of title. Except as provided in division (C)(2) of this section, 242
the salvage certificate of title shall be assigned by the 243
insurance company to a salvage dealer or any other person for use 244
as evidence of ownership upon the sale or other disposition of the 245
motor vehicle, and the salvage certificate of title shall be 246
transferrable to any other person. The clerk shall charge a fee of 247
four dollars for the cost of processing each salvage certificate 248
of title. 249

(2) If an insurance company considers a motor vehicle as 250
described in division (C)(1) of this section to be impossible to 251
restore for highway operation, the insurance company may assign 252
the certificate of title to the motor vehicle to a salvage dealer 253
or scrap metal processing facility and send the assigned 254
certificate of title to the clerk of the court of common pleas of 255
any county. The insurance company shall mark the face of the 256
certificate of title "FOR DESTRUCTION" and shall deliver a 257
photocopy of the certificate of title to the salvage dealer or 258
scrap metal processing facility for its records. 259

(3) If an insurance company declares it economically 260
impractical to repair a motor vehicle, agrees to pay to the 261
insured or claimant owner an amount in settlement of a claim 262
against a policy of motor vehicle insurance covering the motor 263
vehicle, and agrees to permit the insured or claimant owner to 264
retain possession of the motor vehicle, the insurance company 265
shall not pay the insured or claimant owner any amount in 266
settlement of the insurance claim until the owner obtains a 267
salvage certificate of title to the vehicle and furnishes a copy 268

of the salvage certificate of title to the insurance company. 269

(D) When a self-insured organization, rental or leasing 270
company, or secured creditor becomes the owner of a motor vehicle 271
that is burned, damaged, or dismantled and is determined to be 272
economically impractical to repair, the self-insured organization, 273
rental or leasing company, or secured creditor shall do one of the 274
following: 275

(1) Mark the face of the certificate of title to the motor 276
vehicle "FOR DESTRUCTION" and surrender the certificate of title 277
to a clerk of a court of common pleas for cancellation as 278
described in division (A) of this section. The self-insured 279
organization, rental or leasing company, or secured creditor then 280
shall deliver the motor vehicle, together with a photocopy of the 281
certificate of title, to a salvage dealer or scrap metal 282
processing facility and shall cause the motor vehicle to be 283
dismantled, flattened, crushed, or destroyed. 284

(2) Obtain a salvage certificate of title to the motor 285
vehicle in the name of the self-insured organization, rental or 286
leasing company, or secured creditor, as provided in division 287
(C)(1) of this section, and then sell or otherwise dispose of the 288
motor vehicle. If the motor vehicle is sold, the self-insured 289
organization, rental or leasing company, or secured creditor shall 290
obtain a salvage certificate of title to the motor vehicle in the 291
name of the purchaser from a clerk of a court of common pleas. 292

(E) If a motor vehicle titled with a salvage certificate of 293
title is restored for operation upon the highways, application 294
shall be made to a clerk of a court of common pleas for a 295
certificate of title. Upon inspection by the state highway patrol, 296
which shall include establishing proof of ownership and an 297
inspection of the motor number and vehicle identification number 298
of the motor vehicle and of documentation or receipts for the 299
materials used in restoration by the owner of the motor vehicle 300

being inspected, which documentation or receipts shall be 301
presented at the time of inspection, the clerk, upon surrender of 302
the salvage certificate of title, shall issue a certificate of 303
title for a fee prescribed by the registrar. The certificate of 304
title shall be in the same form as the original certificate of 305
title and shall bear the words "REBUILT SALVAGE" in black boldface 306
letters on its face. Every subsequent certificate of title, 307
memorandum certificate of title, or duplicate certificate of title 308
issued for the motor vehicle also shall bear the words "REBUILT 309
SALVAGE" in black boldface letters on its face. The exact location 310
on the face of the certificate of title of the words "REBUILT 311
SALVAGE" shall be determined by the registrar, who shall develop 312
an automated procedure within the automated title processing 313
system to comply with this division. The clerk shall use 314
reasonable care in performing the duties imposed on the clerk by 315
this division in issuing a certificate of title pursuant to this 316
division, but the clerk is not liable for any of the clerk's 317
errors or omissions or those of the clerk's deputies, or the 318
automated title processing system in the performance of those 319
duties. A fee of fifty dollars shall be assessed by the state 320
highway patrol for each inspection made pursuant to this division 321
and shall be deposited into the state highway safety fund 322
established by section 4501.06 of the Revised Code. 323

(F) No person shall operate upon the highways in this state a 324
motor vehicle, title to which is evidenced by a salvage 325
certificate of title, except to deliver the motor vehicle pursuant 326
to an appointment for an inspection under this section. 327

(G) No motor vehicle the certificate of title to which has 328
been marked "FOR DESTRUCTION" and surrendered to a clerk of a 329
court of common pleas shall be used for anything except parts and 330
scrap metal. 331

(H)(1) Except as otherwise provided in this division, an 332

owner of a manufactured or mobile home that will be taxed as real 333
property pursuant to division (B) of section 4503.06 of the 334
Revised Code shall surrender the certificate of title to the 335
auditor of the county containing the taxing district in which the 336
home is located. An owner whose home qualifies for real property 337
taxation under divisions (B)(1)(a) and (b) of section 4503.06 of 338
the Revised Code shall surrender the certificate within fifteen 339
days after the home meets the conditions specified in those 340
divisions. The auditor shall deliver the certificate of title to 341
the clerk of the court of common pleas who issued it. 342

(2) If the certificate of title for a manufactured or mobile 343
home that is to be taxed as real property is held by a lienholder, 344
the lienholder shall surrender the certificate of title to the 345
auditor of the county containing the taxing district in which the 346
home is located, and the auditor shall deliver the certificate of 347
title to the clerk of the court of common pleas who issued it. The 348
lienholder shall surrender the certificate within thirty days 349
after both of the following have occurred: 350

(a) The homeowner has provided written notice to the 351
lienholder requesting that the certificate of title be surrendered 352
to the auditor of the county containing the taxing district in 353
which the home is located. 354

(b) The homeowner has either paid the lienholder the 355
remaining balance owed to the lienholder, or, with the 356
lienholder's consent, executed and delivered to the lienholder a 357
mortgage on the home and land on which the home is sited in the 358
amount of the remaining balance owed to the lienholder. 359

(3) Upon the delivery of a certificate of title by the county 360
auditor to the clerk, the clerk shall inactivate it and maintain 361
it in the automated title processing system for a period of thirty 362
years. 363

(4) Upon application by the owner of a manufactured or mobile home that is taxed as real property pursuant to division (B) of section 4503.06 of the Revised Code and that no longer satisfies divisions (B)(1)(a) and (b) or divisions (B)(2)(a) and (b) of that section, the clerk shall reactivate the record of the certificate of title that was inactivated under division (H)(3) of this section and shall issue a new certificate of title, but only if the application contains or has attached to it all of the following:

(a) An endorsement of the county treasurer that all real property taxes charged against the home under Title LVII of the Revised Code and division (B) of section 4503.06 of the Revised Code for all preceding tax years have been paid;

(b) An endorsement of the county auditor that the home will be removed from the real property tax list;

(c) Proof that there are no outstanding mortgages or other liens on the home or, if there are such mortgages or other liens, that the mortgagee or lienholder has consented to the reactivation of the certificate of title.

(I)(1) Whoever violates division (F) of this section shall be fined not more than two thousand dollars, imprisoned not more than one year, or both.

(2) Whoever violates division (G) of this section shall be fined not more than one thousand dollars, imprisoned not more than six months, or both.

Sec. 4738.01. As used in sections 4738.01 to 4738.16 of the Revised Code:

(A) "Motor vehicle salvage dealer" means any person who engages in business primarily for the purpose of selling salvage motor vehicle parts and secondarily for the purpose of selling at

retail salvage motor vehicles or manufacturing or selling a 394
product of gradable scrap metal. 395

(B) "Salvage motor vehicle" means any motor vehicle which is 396
in a wrecked, dismantled, or worn out condition, or unfit for 397
operation as a motor vehicle. 398

(C) "Salvage motor vehicle auction" means any person who on 399
~~his own~~ the person's behalf or as an agent for a third party 400
engages in business for the purpose of auctioning salvage motor 401
vehicles ~~to motor vehicle salvage dealers.~~ 402

(D) "Salvage motor vehicle pool" means any person who as an 403
agent for a third party engages in business for the purpose of 404
storing, displaying, and offering for sale salvage motor vehicles 405
~~to motor vehicle salvage dealers.~~ 406

(E) "Engaging in business" means commencing, conducting, or 407
continuing in business, or liquidating a business when the 408
liquidator thereof holds ~~himself~~ the liquidator out to be 409
conducting such business; making a casual sale or otherwise making 410
transfers in the ordinary course of business when the transfers 411
are made in connection with the disposition of all or 412
substantially all of the transferor's assets is not engaging in 413
business. 414

(F) "Retail sale" or "sale at retail" means the act or 415
attempted act of selling, bartering, exchanging, or otherwise 416
disposing of salvage motor vehicles or salvage motor vehicle parts 417
to ~~an ultimate purchaser~~ a person who purchases the salvage motor 418
vehicle for use as a consumer. 419

(G) "~~Ultimate Authorized~~ purchaser" means, ~~with respect to~~ 420
~~any~~ a person who intends to purchase a salvage motor vehicle ~~or~~ 421
from a salvage motor vehicle ~~part, a purchaser who in good faith~~ 422
~~purchases such~~ auction or salvage motor vehicle ~~or part pool for~~ 423
~~purposes other than resale and is not licensed as a motor vehicle~~ 424

dealer under Chapter 4517. of the Revised Code. and who satisfies 425
any of the following criteria: 426

(1) The person is a motor vehicle salvage dealer who is 427
licensed pursuant to this chapter; a junk yard that is licensed 428
pursuant to section 4737.07 of the Revised Code; a scrap metal 429
processing facility that is licensed pursuant to section 4737.05 430
of the Revised Code; is a salvage dismantler or automotive 431
recycler; or is licensed or otherwise authorized to purchase 432
salvage motor vehicles and is regulated by another state, country, 433
or jurisdiction. 434

(2) The person is a used motor vehicle dealer who is either 435
licensed pursuant to section 4517.02 of the Revised Code or is 436
licensed or otherwise authorized to do business as a used motor 437
vehicle dealer and is regulated by another state, country, or 438
jurisdiction. 439

(3) The person does not satisfy the criteria described in 440
division (G)(1) or (2) of this section but holds a valid federal 441
tax identification number or other verifiable documentation 442
evidencing that the person is authorized by this state or the 443
federal government to do business in this state and has purchased 444
fewer than a total of seven salvage motor vehicles in the current 445
calendar year from any salvage motor vehicle auction or salvage 446
motor vehicle pool. 447

(4) The person does not satisfy the criteria described in 448
division (G)(1) or (2) of this section but has purchased fewer 449
than a total of five salvage motor vehicles in the current 450
calendar year from any salvage motor vehicle auction or salvage 451
motor vehicle pool. 452

(H) "Business" includes any activities engaged in by any 453
person for the object of gain, benefit, or advantage either direct 454
or indirect. 455

(I) "Casual sale" means any transfer of a salvage motor vehicle by a person other than a motor vehicle salvage dealer, salvage motor vehicle auction, or salvage motor vehicle pool, to ~~an ultimate purchaser~~ a person who purchases the salvage motor vehicle for use as a consumer.

Sec. 4738.02. (A) Except as provided in divisions (B) and ~~(D)(E)~~ of this section, no person shall engage in the business of selling at retail ~~salvage motor vehicles or~~ salvage motor vehicle parts, ~~or assume to engage in any such business~~ without first obtaining a motor vehicle salvage dealer's license pursuant to this chapter.

(B) ~~(1)~~ Except as provided in divisions ~~(B)(1) and (C)(1) of section 4738.03 of the Revised Code and (E) of this section,~~ no person shall engage in the business of selling at retail salvage motor vehicles nor, other than as a lessor, provide a location or a space for the sale of salvage motor vehicles without first obtaining a motor vehicle salvage dealer's license, a salvage motor vehicle auction license, or a salvage motor vehicle pool license pursuant to this chapter.

(2) Notwithstanding division (B)(1) of this section, a person may sell salvage motor vehicles at retail to or through a salvage motor vehicle auction or salvage motor vehicle pool without obtaining any license pursuant to this chapter if the acquisition of salvage motor vehicles is incidental to the primary business of the person and the disposal of those salvage motor vehicles is incidental to the primary business of the person.

(C) No person shall make more than five casual sales of salvage motor vehicles in a twelve month period, commencing with the day of the month in which the first such sale is made, nor provide a location or space for the sale at retail of salvage motor vehicles, without obtaining a motor vehicle salvage dealer's

~~license pursuant to this chapter calendar year.~~ 487

~~(C)~~(D) Except as provided in division ~~(D)~~(E) of this section, 488
no person shall operate as a salvage motor vehicle auction or 489
salvage motor vehicle pool without first obtaining the appropriate 490
license pursuant to this chapter. 491

~~(D)~~(E) In case of the dissolution of a partnership by death, 492
the surviving partner may operate under any license obtained by 493
the partnership pursuant to this chapter for a period of sixty 494
days and the heirs or representatives of deceased persons and 495
receivers or trustees in bankruptcy appointed by any competent 496
authority may operate under the license of the person succeeded in 497
possession by the heir, representative, receiver, or trustee in 498
bankruptcy. 499

~~(E)~~(F) Nothing in this chapter applies to any public officer 500
performing his official duties. 501

Sec. 4738.021. (A)(1) Every salvage motor vehicle auction and 502
salvage motor vehicle pool shall keep an electronic record of all 503
sales of salvage motor vehicles and shall include in the record 504
the make, model, year, vehicle identification number, and the 505
names and addresses of the purchaser and seller of the salvage 506
motor vehicle. 507

(2) In addition to the information collected pursuant to 508
division (A)(1) of this section, every salvage motor vehicle 509
auction and salvage motor vehicle pool shall obtain from any 510
authorized purchaser of an Ohio salvage motor vehicle a copy of a 511
driver's license, passport, or other government-issued 512
identification. Every salvage motor vehicle auction and salvage 513
motor vehicle pool shall maintain a copy of this identification 514
for a period of two years. 515

(3) In addition to the information collected pursuant to 516

divisions (A)(1) and (2) of this section, every salvage motor 517
vehicle auction and salvage motor vehicle pool shall obtain from 518
any person who is an authorized purchaser as defined in division 519
(G)(1) or (2) of section 4738.01 of the Revised Code documented 520
proof of any required license or other authorization to do 521
business pursuant to this chapter. Every salvage motor vehicle 522
auction and salvage motor vehicle pool shall maintain a copy of 523
this documentation for a period of two years. 524

(4) In addition to the information collected pursuant to 525
divisions (A)(1) to (3) of this section, every salvage motor 526
vehicle auction and salvage motor vehicle pool shall obtain from 527
any person who is an authorized purchaser as defined in division 528
(G)(3) or (4) of section 4738.01 of the Revised Code a declaration 529
under penalty of perjury that the authorized purchaser is not 530
making a purchase in excess of the applicable limit identified in 531
those divisions. The salvage motor vehicle auction or salvage 532
motor vehicle pool shall maintain that declaration for a period of 533
two years. The declaration may be submitted by the authorized 534
purchaser in electronic or written format. 535

(B) Every salvage motor vehicle auction and salvage motor 536
vehicle pool shall submit the information collected pursuant to 537
division (A) of this section to the registrar of motor vehicles on 538
a quarterly or other periodic basis that is not less than 539
quarterly pursuant to the rules adopted by the registrar in 540
division (C) of this section. 541

(C)(1) Within sixty days after the effective date of this 542
section, the registrar shall develop a statewide database for the 543
submission of the information collected pursuant to division (A) 544
of this section. The system shall be used to maintain an accurate 545
record of all sales conducted by a salvage motor vehicle auction 546
or salvage motor vehicle pool. 547

(2) The registrar may adopt any rules necessary to facilitate 548

the timely submission of the information required pursuant to this 549
section. 550

The registrar may make the information the registrar receives 551
under this section available to any state or local law enforcement 552
agency upon request. 553

Sec. 4738.022. Every salvage motor vehicle auction and 554
salvage motor vehicle pool shall comply with the reporting 555
requirements of the national motor vehicle title information 556
system. 557

Sec. 4738.023. Within ninety days after the sale of a salvage 558
motor vehicle, the registrar of motor vehicles shall issue a 559
certificate of salvage title to the purchaser of that salvage 560
motor vehicle containing the following notice in bold lettering: 561

"SALVAGE VEHICLE - NOT FOR RESALE WITHOUT DISCLOSURE. 562
WARNING: THIS SALVAGE VEHICLE MAY NOT BE SAFE FOR OPERATION UNLESS 563
PROPERLY REPAIRED. SOME STATES MAY REQUIRE AN INSPECTION BEFORE 564
THIS VEHICLE MAY BE REGISTERED. THE STATE OF OHIO MAY REQUIRE THIS 565
VEHICLE TO BE PERMANENTLY BRANDED AS A REBUILT SALVAGE VEHICLE. 566
OTHER STATES MAY ALSO PERMANENTLY BRAND THE CERTIFICATE OF TITLE." 567

Sec. 4738.03. (A) No person licensed as a motor vehicle 568
salvage dealer under this chapter shall engage in the business of 569
selling at retail salvage motor vehicle parts or salvage motor 570
vehicles, unless the business is operated primarily for the 571
purpose of selling at retail salvage motor vehicle parts. Any 572
person operating such a business primarily for the purpose of 573
selling at retail salvage motor vehicle parts may secondarily sell 574
at retail salvage motor vehicles or manufacture a product of 575
gradable scrap metal for sale to scrap metal processors or any 576
other consumer. 577

(B) No person licensed as a salvage motor vehicle auction 578
under this chapter shall: 579

(1) ~~Make a casual sale of~~ Sell a salvage motor vehicle to 580
anyone other than an authorized purchaser; 581

(2) Sell a salvage motor vehicle when having reasonable cause 582
to believe it is not offered by the legal owner thereof; 583

~~(3) Sell a salvage motor vehicle to any person except a~~ 584
~~person licensed as a motor vehicle salvage dealer under this~~ 585
~~chapter;~~ 586

~~(4)~~(3) Fail to make an Ohio salvage certificate of title 587
available to the purchaser of a salvage motor vehicle sold by the 588
salvage motor vehicle auction, before payment for the salvage 589
motor vehicle is completed; 590

~~(5)~~(4) Operate as a motor vehicle salvage dealer at the same 591
location where any salvage motor vehicle auction is operated. 592

(C) No person licensed as a salvage motor vehicle pool under 593
this chapter shall: 594

(1) ~~Make a casual sale of~~ Sell a salvage motor vehicle to 595
anyone other than an authorized purchaser; 596

(2) Sell a salvage motor vehicle when having reasonable cause 597
to believe it is not offered by the legal owner thereof; 598

~~(3) Sell a salvage motor vehicle to any person except a~~ 599
~~person licensed as a motor vehicle salvage dealer under this~~ 600
~~chapter;~~ 601

~~(4)~~(3) Fail to make an Ohio salvage certificate of title 602
available to the purchaser of a salvage motor vehicle sold by the 603
salvage motor vehicle pool, before payment for the salvage motor 604
vehicle is completed; 605

~~(5)~~(4) Operate as a motor vehicle salvage dealer at the same 606
location where any salvage motor vehicle pool is operated. 607

Sec. 4738.031. No person who is not an authorized purchaser 608
shall purchase a salvage motor vehicle from a salvage motor 609
vehicle auction or salvage motor vehicle pool. 610

Sec. 4738.17. (A) No person who is not licensed as a salvage 611
motor vehicle auction or salvage motor vehicle pool shall engage 612
in the business of selling salvage motor vehicle parts or salvage 613
motor vehicles at wholesale. ~~Any~~ 614

(B)(1) ~~Any~~ person licensed as a salvage motor vehicle dealer 615
under this chapter may sell salvage motor vehicle parts or salvage 616
motor vehicles at wholesale. 617

(2) Notwithstanding division (A) of this section, a person 618
may sell salvage motor vehicles at wholesale to or through a 619
salvage motor vehicle auction or salvage motor vehicle pool 620
without obtaining any license pursuant to this chapter if the 621
acquisition of salvage motor vehicles is incidental to the primary 622
business of the person and the disposal of those salvage motor 623
vehicles is incidental to the primary business of the person. 624

Sec. 4738.99. (A) Whoever violates section 4738.02 or 4738.03 625
of the Revised Code is guilty of a misdemeanor of the second 626
degree on a first offense; on each subsequent offense, such person 627
is guilty of a misdemeanor of the first degree. 628

(B) Whoever violates section 4738.01, sections 4738.04 to 629
4738.13, or division (B) of section 4738.16 of the Revised Code is 630
guilty of a misdemeanor of the fourth degree. 631

(C) Whoever violates section 4738.031, 4738.14, or 4738.15 of 632
the Revised Code is guilty of a minor misdemeanor. 633

Section 2. That existing sections 505.871, 4501.25, 4505.061, 634
4505.11, 4738.01, 4738.02, 4738.03, 4738.17, and 4738.99 and 635
section 4738.18 of the Revised Code are hereby repealed. 636