



State of Tennessee

PUBLIC CHAPTER NO. 528

HOUSE BILL NO. 1648

By Representatives McCalmon, Alexander, Terry, Helton-Haynes, Hawk

Substituted for: Senate Bill No. 1730

By Senators Massey, Johnson

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 3, Part 2, relative to salvage titles.

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

SECTION 1. Tennessee Code Annotated, Section 55-3-209, is amended by adding the following as a new subsection (e) and redesignating the existing subsection (e) as a new subsection (f):

(e)

(1) If an insurance company requests a salvage pool operator, the primary business of which is the sale of salvage vehicles on behalf of insurers, to take possession of a salvage vehicle that is the subject of an insurance claim and subsequently the insurance company does not take ownership of the vehicle, then the insurance company may direct the salvage pool operator to release the vehicle to the owner or lienholder. If an insurance company directs a salvage pool operator to release a vehicle to the vehicle's owner or lienholder, then the insurance company shall provide notice to the salvage pool operator authorizing such release. This notice may be sent via commercial delivery service, electronic mail, or a proprietary electronic system accessed by both the insurance company and the salvage pool operator.

(2) Upon receiving notice from an insurance company, the salvage pool operator shall send two (2) notices a minimum of fourteen (14) days apart to the owner and any lienholder of the vehicle informing the owner or lienholder that the vehicle is available for pick up within thirty (30) days of the date on which the first notice was sent. Each notice must include an invoice for any outstanding charges owed to the salvage pool operator, and must inform the owner and any lienholder that the owner or lienholder has thirty (30) days from the date of the first notice to pay any applicable charges and pick up the vehicle from the salvage pool operator. Notice under this subdivision (e)(2) must be sent by certified mail or by another commercially available delivery service providing proof of delivery to the address of the owner, and any lienholder, on record with the department.

(3) If the owner or lienholder of the vehicle does not pick up the vehicle within thirty (30) days of the date on which the first notice was sent to the owner or a lienholder in accordance with subdivision (e)(2), then the vehicle must be considered abandoned, the vehicle's certificate of title is deemed to be assigned to the salvage pool operator, and the salvage pool operator, without surrendering the certificate of title, may request on a form provided by the department that the department issue a lien-free salvage certificate of title for the vehicle. The request must be accompanied by a copy of the notice sent by the insurance company as required by subdivision (e)(1), and evidence of delivery of the notices sent to the owner and any lienholder as required in subdivision (e)(2), or evidence that the notices sent to the owner and any lienholder were returned as undeliverable. Notwithstanding any outstanding liens against the vehicle, upon the department's receipt of any fee charged for a lien-free salvage certificate of title and a request for such title meeting the requirements of this subdivision

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(e)(3), the department shall issue a lien-free salvage certificate of title for the vehicle to the salvage pool operator in possession of the vehicle.

SECTION 2. This act takes effect July 1, 2024, the public welfare requiring it.

