Revisiting Some Vehicle Issues

Uniform Brand Definitions

AAMVA Spring Workshop

April 5, 2011
Uniform Brand Definitions

- Proposed Vehicle Committee working group
- Development of standard definitions for several “key” vehicle brands
- Intent today is to gather jurisdiction input
  - Is there a need for such an effort
  - Potential for adoption in your jurisdiction
  - Suggestions on brands to be defined
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• The Problems:
  – Hundreds of jurisdiction brands
  – Thousands of definitions
  – Brands changed/washed when the vehicle moves to a new jurisdiction
  – Jurisdictions brands not always consistent with NMVTIS brands – jurisdictions brands are mapped to the 68 NMVTIS brands
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• The Solution:
  – Standard definitions for key brands
    • Has been tried before (federal legislation)

• The Obstacles:
  – Determining “key” brands
  – Developing widely supported definitions
  – Would require legislative changes in your jurisdiction
  – Resistance from affected stakeholders
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- **Possible key brands**
  - Junk/Non-Repairable/Dismantled/Crushed
  - Salvage
  - Prior/Previous Salvage or Rebuilt
  - Flood/Water damaged
  - Stolen
  - Reconstructed
  - Damaged
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• Other Common Brands
  – Kit
  – Recovered stolen
  – Gray market (compliant or non-compliant)
  – State Assigned VIN
  – Manufacturer buyback
  – Owner retained salvage
  – Etc., etc., etc.
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• Possible definitions

JUNK

• a vehicle that is damaged to the extent that it cannot be safely repaired for continued operation on public roads
  – Should it contain a measurable standard (percent of damage, exceeds cost of repair, or something similar)
  – Who makes the determination
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• **Possible definitions**

SALVAGE

• a vehicle that has sustained damage in excess of XX% of pre-damaged value
• a vehicle damaged to the extent that cost of repairing the vehicle for legal operation on public roads exceeds its fair market value immediately prior to damage
• a vehicle on which an insurance company or self-insurer has made a total loss determination or settlement
  – What about vehicles not covered by collision insurance
  – What is the appropriate level of damage
  – At what point does “salvage” become “junk

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• **Possible definitions**

**PRIOR SALVAGE**

• a vehicle, previously declared a salvage vehicle which has been repaired and has passed a physical inspection by an agency or entity authorized by jurisdiction law to conduct such inspections
  – Who should be doing the inspections
  – What liability may exist for the jurisdiction
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- **Possible definitions**

**FLOOD**

- a vehicle that has been submerged in freshwater or saltwater to the point that water entered the passenger compartment or trunk
  - What about vehicles not covered by comprehensive insurance
  - Should there be separate brands for vehicles damaged by freshwater and those damaged by saltwater
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• **Possible definitions**

**Stolen**

• a vehicle that has been reported as stolen to a law enforcement agency and that has not been recovered
  – Is this really a “key” brand
  – Would “recovered theft” be a more appropriate “key brand”
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• **Possible** definitions
• **Reconstructed**
  • a vehicle which has been assembled or constructed largely by means of essential parts, either new or derived from other used vehicles
    – Does it need to look substantially like make and year model displayed on the title
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• **Possible definitions**

• **Damaged**
  
  • a vehicle which has sustained damage in excess of ____________ but not damaged to the extent it would be considered to be a salvage vehicle
    
      – Base definition on an actual dollar amount
      – Base definition on a percentage of pre-damaged value
      – Implications on value of vehicle for owner
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Questions, Comments, Suggestions

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