

D-07-20-02

Date: August 10, 2020
Bulletin: All Dealers and Title Services
From: Business Licensing and Driver Instructional Services
Subject: Guidelines for Processing Salvage Vehicles Electronically

The Maryland Department of Transportation Motor Vehicle Administration (MDOT MVA) is issuing this bulletin to clarify the guidelines for processing salvage vehicles electronically. Please be guided by the following information:

How is “rebuilt salvage” different from “salvage”?

A “**Salvage**” means any vehicle that has sustained damage as result of collision, fire, flood, accident, and trespass, or other occurrence to the extent that the cost to repair the vehicle for legal operation on a highway exceeds 75% of the fair market value of the vehicle prior to sustaining the damage or has been acquired by an insurance company as a result of a claim settlement; or has been acquired as an abandoned vehicle; or has been acquired by an Automotive Dismantler and Recycler.

A “**Rebuilt Salvage**” is a Salvage Certificate that is converted into a Title Certificate which will contain the salvage notation/brand of “**Rebuilt Salvage**”, if the damage sustained is greater than 75% of the fair market value and repairable, or the Certificate of Salvage bears the notation/ brand of “**Abandoned Vehicle**.”

How are “salvage” and “rebuilt salvage documented on the title?”

The notation/brand of “rebuilt salvage” is only documented on the Title Certificate and not on a Salvage Certificate. If a customer has a salvage certificate and wants to get a rebuilt title, they must have an inspection performed by Maryland State Police (MSP) which is different than the normal safety inspection. The Salvage Certificate may then be converted to a Title Certificate, this transaction would need to be performed at a MDOT MVA Branch Office. The front of the converted Title Certificate will bear the notation/brand “rebuilt salvage”.

When a vehicle is branded as salvage in MD, will there be documentation seen that the branding exists on the Vehicle Inquiry Report?

The branding will be returned with the Vehicle Inquiry if we have them in Customer Connect, however, we don’t return any brands that we receive from NMVTIS, since those are retrieved when fees are calculated, not when we do a Vehicle Inquiry.

How are vehicles with a branding of “Stolen” handled?

Vehicles bearing a “**Recovered Stolen**” notation/brand are handled in this manner: “**Recovered Stolen**” with damage 75% or less than fair market value will be issued a Salvage Certificate branded “**Recovered Salvage**”

Applying for a “**Recovered Stolen**” with damage 75% or less of fair market value and requesting a Certificate of Title, will need to complete an Application for Certificate of Title (VR-005) and submit a \$100.00 fee along with the Application for a Salvage Certificate (VR-028) with the appropriate fee.

****NOTE: MVA will not issue a Salvage Certificate on a stolen vehicle until the vehicle has been recovered**

Why isn't the branding appearing in the ERT system to document that the vehicle is salvage when processing a transaction?

Error messages will only appear if a vehicle cannot be retitled.

Is it recommended to run a NMVTIS report on every VIN we process to see if there is a brand prior to processing or is this something that is done with each VIN inquiry?

The NMVTIS inquiry is automatically processed after clicking “get fees/inventory” in the ERT system. If the transaction can't be retitled in the ERT system an error message will populate. If you want to see the details of a NMVTIS report you would need to run a separate NMVTIS report to see if the vehicle was branded and other state details.

What if NMVTIS does not have a record that the vehicle has a salvage title?

If there is no salvage record and you have a branded title, the transaction should be walked into a branch office.

The list below is when a vehicle that is branded can be processed via ERT:

- MD blue branded title bearing any brand that is eligible for retitling, for example “Rebuilt Salvage”
- Out of state branded title bearing any brand that is eligible for retitling (for example, XSALVAGE, REBUILT, RECONSTRUCTED, PRIOR SALVAGE)
 - NOTE: please exclude the following states: Hawaii, Vermont, Tennessee, Kansas, Idaho, and the District of Columbia, as these states do not participate in the online NMVTIS process.

The list below is when a vehicle that is branded cannot be processed via ERT:

- MD green salvage certificate bearing any brand
- Any Out of State ownership document bearing the Maryland State Police salvage inspection raised stamp imprint.
- Any branded title or salvage certificate from any jurisdiction bearing any of the qualifying NMVTIS brands where a title and registration is prohibited. Examples include: “salvage certificate not a title”, “salvage”, “not road worthy”, “junk”, “for parts only not to be retitled”, “for export only”, or any variation of those words.

Should you have any questions, please contact us at mvabldisd@mdot.maryland.gov