

105TH CONGRESS
1ST SESSION

H. R. 1839

To establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

IN THE HOUSE OF REPRESENTATIVES

JUNE 10, 1997

Mr. WHITE (for himself, Mr. TOWNS, Mr. HORN, Mr. NORWOOD, and Ms. DUNN) introduced the following bill; which was referred to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Salvage
5 Motor Vehicle Consumer Protection Act of 1997”.

1 **SEC. 2. MOTOR VEHICLE TITLING AND DISCLOSURE RE-**
 2 **QUIREMENTS.**

3 Subtitle VI of title 49, United States Code, is amend-
 4 ed by inserting a new chapter at the end:

“Chapter 333—Automobile Safety and Title Disclosure Requirements

“Sec.

“33301. Definitions.

“33302. Passenger motor vehicle titling.

“33303. Disclosure and label requirements on transfer of salvage vehicles.

“33304. Report on funding.

“33305. Petitions for extensions of time.

“33306. Effect on State law.

“33307. Civil and criminal penalties.

“33308. Actions by States.

5 **“§ 33301. Definitions**

6 “For the purposes of this chapter:

7 “(1) **PASSENGER MOTOR VEHICLE.**—The term
 8 ‘passenger motor vehicle’ shall have the same mean-
 9 ing given such term by section 32101(10).

10 “(2) **SALVAGE VEHICLE.**—The term ‘salvage ve-
 11 hicle’ means any passenger motor vehicle which—

12 “(A) is a late model vehicle which has been
 13 wrecked, destroyed, or damaged, to the extent
 14 that the total estimated or actual cost of repairs
 15 to rebuild or reconstruct the passenger motor
 16 vehicle to its condition immediately before it
 17 was wrecked, destroyed, or damaged, and for
 18 legal operation on the roads or highways, ex-
 19 ceeds 80 percent of the retail value of the pas-
 20 senger motor vehicle;

1 “(B) is a late model vehicle which has been
2 wrecked, destroyed, or damaged, and to which
3 an insurance company acquires ownership pur-
4 suant to a damage settlement (except in the
5 case of a settlement in connection with a recov-
6 ered stolen vehicle, unless such vehicle sus-
7 tained damage sufficient to meet the cost limit
8 prescribed by subparagraph (A); or

9 “(C) the owner wishes to voluntarily des-
10 ignate as a salvage vehicle by obtaining a sal-
11 vage title, without regard to the level of dam-
12 age, age, or value of such vehicle or any other
13 factor, except that such designation by the
14 owner shall not impose on the insurer of the
15 passenger motor vehicle or on an insurer proc-
16 essing a claim made by or on behalf of the
17 owner of the passenger motor vehicle any obli-
18 gation or liability.

19 “(3) SALVAGE TITLE.—The term ‘salvage title’
20 means a passenger motor vehicle ownership docu-
21 ment issued by the State to the owner of a salvage
22 vehicle. A salvage title shall be conspicuously labeled
23 with the word ‘salvage’ across the front.

24 “(4) REBUILT SALVAGE VEHICLE.—The term
25 ‘rebuilt salvage vehicle’ means—

1 “(A) any passenger motor vehicle which
2 was previously issued a salvage title, has passed
3 State anti-theft inspection, has been issued a
4 certificate indicating that the passenger motor
5 vehicle has passed the required anti-theft in-
6 spection, has passed the State safety inspection
7 in those States requiring a safety inspection
8 pursuant to section 33302(b)(7), has been is-
9 sued a certificate indicating that the passenger
10 motor vehicle has passed the required safety in-
11 spection in those States requiring such a safety
12 inspection pursuant to section 33302(b)(7), and
13 has a decal stating ‘Rebuilt Salvage Vehicle—
14 Anti-theft and Safety Inspections Passed’ af-
15 fixed to the driver’s door jamb; or

16 “(B) any passenger motor vehicle which
17 was previously issued a salvage title, has passed
18 a State anti-theft inspection, has been issued a
19 certificate indicating that the passenger motor
20 vehicle has passed the required anti-theft in-
21 spection, and has, affixed to the driver’s door
22 jamb, a decal stating ‘Rebuilt Salvage Vehicle—
23 Anti-theft Inspection Passed/No Safety Inspec-
24 tion Pursuant to National Criteria’ in those

1 States not requiring a safety inspection pursu-
2 ant to section 33302(b)(7).

3 “(5) REBUILT SALVAGE TITLE.—The term ‘re-
4 built salvage title’ means the passenger motor vehi-
5 cle ownership document issued by the State to the
6 owner of a rebuilt salvage vehicle. A rebuilt salvage
7 title shall be conspicuously labeled either with the
8 words ‘Rebuilt Salvage Vehicle—Anti-theft and
9 Safety Inspections Passed’ or ‘Rebuilt Salvage Vehi-
10 cle—Anti-theft Inspection Passed/No Safety Inspec-
11 tion Pursuant to National Criteria,’ as appropriate,
12 across the front.

13 “(6) NONREPAIRABLE VEHICLE.—The term
14 ‘nonrepairable vehicle’ means any passenger motor
15 vehicle which is incapable of safe operation for use
16 on roads or highways and which has no resale value
17 except as a source of parts or scrap only or which
18 the owner irreversibly designates as a source of
19 parts or scrap. Such passenger motor vehicle shall
20 be issued a nonrepairable vehicle certificate and shall
21 never again be titled or registered.

22 “(7) NONREPAIRABLE VEHICLE CERTIFI-
23 CATE.—The term ‘nonrepairable vehicle certificate’
24 means a passenger motor vehicle ownership docu-
25 ment issued by the State to the owner of a non-

1 repairable vehicle. A nonrepairable vehicle certificate
2 shall be conspicuously labeled with the word ‘Non-
3 repairable’ across the front.

4 “(8) SECRETARY.—The term ‘Secretary’ means
5 the Secretary of Transportation.

6 “(9) LATE MODEL VEHICLE.—The term ‘Late
7 Model Vehicle’ means any passenger motor vehicle
8 which—

9 “(A) has a manufacturer’s model year des-
10 ignation of or later than the year in which the
11 vehicle was wrecked, destroyed, or damaged, or
12 any of the six preceding years; or

13 “(B) has a retail value of more than
14 \$10,000.

15 The Secretary shall adjust such retail value on an
16 annual basis in accordance with changes in the
17 consumer price index.

18 “(10) RETAIL VALUE.—The term ‘retail value’
19 means the actual cash value, fair market value, or
20 retail value of a passenger motor vehicle as—

21 “(A) set forth in a current edition of any
22 nationally recognized compilation (to include
23 automated databases) of retail values, as ap-
24 proved by the Secretary; or

1 “(B) determined pursuant to a market sur-
2 vey of comparable vehicles with regard to condi-
3 tion and equipment, in a manner approved by
4 the Secretary.

5 “(11) COST OF REPAIRS.—The term ‘cost of re-
6 pairs’ means the estimated retail cost of parts need-
7 ed to repair the vehicle or, if the vehicle has been
8 repaired, the actual retail cost of the parts used in
9 the repair, and the cost of labor computed by using
10 the hourly labor rate and time allocations that are
11 reasonable and customary in the automobile repair
12 industry in the community where the repairs are to
13 be performed.

14 **“§ 33302. Passenger motor vehicle titling**

15 “(a) CARRY-FORWARD OF INFORMATION ON A
16 NEWLY ISSUED TITLE WHERE THE PREVIOUS TITLE FOR
17 THE VEHICLE WAS NOT ISSUED PURSUANT TO NEW NA-
18 TIONALLY UNIFORM STANDARDS.—For any passenger
19 motor vehicle, the ownership of which is transferred on
20 or after the date that is 1 year from the date of the enact-
21 ment of this chapter, each State, in licensing such vehicle
22 for use, shall disclose in writing on the certificate of title
23 whenever records readily accessible to the State indicate
24 that the passenger motor vehicle was previously issued a
25 title that bore any word or symbol signifying that the vehi-

1 cle was ‘salvage’, ‘unrebuildable’, ‘parts only’, ‘scrap’,
2 ‘junk’, ‘nonrepairable’, ‘reconstructed’, ‘rebuilt’, or any
3 other symbol or word of like kind, or that it has been dam-
4 aged by flood.

5 “(b) **NATIONALLY UNIFORM TITLE STANDARDS AND**
6 **CONTROL METHODS.**—Not later than 18 months after the
7 date of the enactment of this chapter, the Secretary shall
8 by rule require each State, in licensing any passenger
9 motor vehicle where ownership of such passenger motor
10 vehicle is transferred more than 2 years after publication
11 of such final rule, to apply uniform standards, procedures,
12 and methods for the issuance and control of titles for
13 motor vehicles and for information to be contained on such
14 titles. Such titling standards, control procedures, methods,
15 and information shall include the following:

16 “(1) A State shall conspicuously indicate on the
17 face of the title or certificate for a passenger motor
18 vehicle, as applicable, if the passenger motor vehicle
19 is a salvage vehicle, a nonrepairable vehicle, or a re-
20 built salvage vehicle and whether such vehicle was
21 damaged by flood.

22 “(2) Such information concerning a passenger
23 motor vehicle’s status shall be conveyed on any sub-
24 sequent title, including a duplicate or replacement

1 title, for the passenger motor vehicle issued by the
2 original titling State or any other State.

3 “(3) The title documents, the certificates and,
4 decals required by section 33301(4), and the issuing
5 system shall meet security standards minimizing the
6 opportunities for fraud.

7 “(4) The certificate of title shall include the
8 passenger motor vehicle make, model, body type,
9 year, odometer disclosure, and vehicle identification
10 number.

11 “(5) The title documents shall maintain a uni-
12 form layout, to be established in consultation with
13 the State or an organization representing them.

14 “(6) A passenger motor vehicle designated as
15 nonrepairable shall be issued a nonrepairable vehicle
16 certificate and shall not be retitled.

17 “(7) No rebuilt salvage title shall be issued to
18 a salvage vehicle unless, after the salvage vehicle is
19 repaired or rebuilt, it complies with the requirements
20 for a rebuilt salvage vehicle pursuant to section
21 33301(4). Any State inspection program designed to
22 comply with this paragraph shall be subject to con-
23 tinuing review by and approval of the Secretary.
24 Such inspection program shall include the following:

1 “(A) A passenger motor vehicle owner sub-
2 mitting a vehicle for an anti-theft inspection
3 shall be required to provide a completed docu-
4 ment identifying the vehicle’s damage prior to
5 being repaired, a list of replacement parts used
6 to repair the vehicle, and proof of ownership of
7 such replacement parts, as may be evidenced by
8 bills of sale, invoices or, if such documents are
9 not available, other proof of ownership for the
10 replacement parts. The owner shall also include
11 an affirmation that the information in the dec-
12 laration is complete and accurate and, to the
13 knowledge of the declarant, no stolen parts
14 were used during the rebuilding.

15 “(B) Any passenger motor vehicle or any
16 major part or major replacement part required
17 to be marked under section 33102 having a
18 mark or vehicle identification number that has
19 been illegally altered, defaced, or falsified, and
20 that cannot be identified as having been legally
21 obtained (through bills of sale, invoices, or
22 other ownership documentation), shall be con-
23 traband and subject to seizure. The Secretary,
24 in consultation with the Attorney General, shall,
25 as part of the rule required by this section, es-

1 tabish procedures for dealing with those parts
2 whose mark or vehicle identification number is
3 normally removed during industry accepted re-
4 manufacturing or rebuilding practices, which
5 parts shall be deemed identified for purposes of
6 this section if they bear a conspicuous mark of
7 a type, and applied in such a manner, as des-
8 ignated by the Secretary indicating that they
9 have been rebuilt or remanufactured. With re-
10 spect to any vehicle part, the Secretary’s rule,
11 as required by this section, shall acknowledge
12 that a mark or vehicle identification number on
13 such part may be legally removed or altered as
14 provided for in section 511 of title 18, United
15 States Code, and shall direct inspectors to
16 adopt such procedures as may be necessary to
17 prevent the seizure of a part from which the
18 mark or vehicle identification number has been
19 legally removed or altered.

20 “(C) The Secretary shall establish nation-
21 ally uniform safety inspection criteria to be
22 used in those States requiring such a safety in-
23 spection. A State may determine whether to
24 conduct such safety inspection itself, contract
25 with a third party, or permit self-inspection, all

1 subject to criteria promulgated by the Secretary
2 hereunder. A State requiring such safety in-
3 spection may require the payment of a fee for
4 the privilege of such inspection or the process-
5 ing thereof.

6 “(8) No duplicate or replacement title shall be
7 issued unless the word ‘duplicate’ is clearly marked
8 on the face thereof and unless the procedures for
9 such issuance are substantially consistent with Rec-
10 ommendation three (3) of the Motor Vehicle Titling,
11 Registration and Salvage Advisory Committee.

12 “(9) A State shall employ the following titling
13 and control methods:

14 “(A) If an insurance company is not in-
15 volved in a damage settlement involving a sal-
16 vage vehicle or a nonrepairable vehicle, the pas-
17 senger motor vehicle owner shall apply for a
18 salvage title or nonrepairable vehicle certificate,
19 whichever is applicable, before the passenger
20 motor vehicle is repaired or the ownership of
21 the passenger motor vehicle is transferred, but
22 in any event within 30 days after the passenger
23 motor vehicle is damaged.

24 “(B) If an insurance company, pursuant to
25 a damage settlement, acquires ownership of a

1 passenger motor vehicle that has incurred dam-
2 age requiring the vehicle to be titled as a sal-
3 vage vehicle or nonrepairable vehicle, the insur-
4 ance company or salvage facility or other agent
5 on its behalf shall apply for a salvage title or
6 nonrepairable vehicle certificate within 15 days
7 after the title is properly assigned by the owner
8 to the insurance company and delivered to the
9 insurance company or salvage facility or other
10 agent on its behalf with all liens released.

11 “(C) If an insurance company does not as-
12 sume ownership of an insured’s or claimant’s
13 passenger motor vehicle that has incurred dam-
14 age requiring the vehicle to be titled as a sal-
15 vage vehicle or nonrepairable vehicle, the insur-
16 ance company shall, as required by the applica-
17 ble State, notify the owner of the owner’s obli-
18 gation to apply for a salvage title or nonrepair-
19 able vehicle certificate for the passenger motor
20 vehicle and notify the State passenger motor ve-
21 hicle titling office that a salvage title or non-
22 repairable vehicle certificate should be issued
23 for the vehicle.

24 “(D) If a leased passenger motor vehicle
25 incurs damage requiring the vehicle to be titled

1 as a salvage vehicle or nonrepairable vehicle,
2 the lessor shall apply for a salvage title or non-
3 repairable vehicle certificate within 21 days
4 after being notified by the lessee that the vehi-
5 cle has been so damaged, except when an insur-
6 ance company, pursuant to a damage settle-
7 ment, acquires ownership of the vehicle. The
8 lessee of such vehicle shall inform the lessor
9 that the leased vehicle has been so damaged
10 within 30 days after the occurrence of the dam-
11 age.

12 “(E) Any person acquiring ownership of a
13 damaged passenger motor vehicle that meets
14 the definition of a salvage or nonrepairable ve-
15 hicle for which a salvage title or nonrepairable
16 vehicle certificate has not been issued, shall
17 apply for a salvage title or nonrepairable vehicle
18 certificate, whichever is applicable. This appli-
19 cation shall be made before the vehicle is fur-
20 ther transferred, but in any event, within 30
21 days after ownership is acquired. The require-
22 ments of this subparagraph shall not apply to
23 any scrap metal processor which acquires a pas-
24 senger motor vehicle for the sole purpose of

1 processing it into prepared grades of scrap and
2 which so processes such vehicle.

3 “(F) State records shall note when a non-
4 repairable vehicle certificate is issued. No State
5 shall issue a nonrepairable vehicle certificate
6 after 2 transfers of ownership.

7 “(G) When a passenger motor vehicle has
8 been flattened, baled, or shredded, whichever
9 comes first, the title or nonrepairable vehicle
10 certificate for the vehicle shall be surrendered
11 to the State within 30 days. If the second
12 transferee on a nonrepairable vehicle certificate
13 is unequipped to flatten, bale, or shred the vehi-
14 cle, such transferee shall, at the time of final
15 disposal of the vehicle, use the services of a pro-
16 fessional automotive recycler or professional
17 scrap processor who is hereby authorized to
18 flatten, bale, or shred the vehicle and to effect
19 the surrender of the nonrepairable vehicle cer-
20 tificate to the State on behalf of such second
21 transferee. State records shall be updated to in-
22 dicate the destruction of such vehicle and no
23 further ownership transactions for the vehicle
24 will be permitted. If different than the State of
25 origin of the title or nonrepairable vehicle cer-

1 tificate, the State of surrender shall notify the
2 State of origin of the surrender of the title or
3 nonrepairable vehicle certificate and of the de-
4 struction of such vehicle.

5 “(H) When a salvage title is issued, the
6 State records shall so note. No State shall per-
7 mit the retitling for registration purposes or is-
8 surance of a rebuilt salvage title for a passenger
9 motor vehicle with a salvage title without a cer-
10 tificate of inspection, which complies with the
11 security and guideline standards established by
12 the Secretary pursuant to paragraphs (3) and
13 (7), as applicable, indicating that the vehicle
14 has passed the inspections required by the
15 State. This subparagraph does not preclude the
16 issuance of a new salvage title for a salvage ve-
17 hicle after a transfer of ownership.

18 “(I) After a passenger motor vehicle titled
19 with a salvage title has passed the inspections
20 required by the State, the inspection official will
21 affix the secure decal required pursuant to sec-
22 tion 33301(4) to the driver’s door jamb of the
23 vehicle and issue to the owner of the vehicle a
24 certificate indicating that the passenger motor
25 vehicle has passed the inspections required by

1 the State. The decal shall comply with the per-
2 manency requirements established by the Sec-
3 retary.

4 “(J) The owner of a passenger motor vehi-
5 cle titled with a salvage title may obtain a re-
6 built salvage title and vehicle registration by
7 presenting to the State the salvage title, prop-
8 erly assigned, if applicable, along with the cer-
9 tificate that the vehicle has passed the inspec-
10 tions required by the State. With such proper
11 documentation and upon request, a rebuilt sal-
12 vage title and registration shall be issued to the
13 owner. When a rebuilt salvage title is issued,
14 the State records shall so note.

15 “(10) A seller of a passenger motor vehicle that
16 becomes a salvage vehicle due to damage by flood
17 shall, at or prior to the time of transfer of owner-
18 ship, give the buyer a written notice that the vehicle
19 has been damaged by flood. At the time of the next
20 title application for the vehicle, disclosure of the
21 flood status shall be provided to the applicable State
22 with the properly assigned title and the word ‘Flood’
23 shall be conspicuously labeled across the front of the
24 new title.

1 “(1) GENERAL RULE.—Under regulations pre-
2 scribed by the Secretary of Transportation, a person
3 transferring ownership of a salvage vehicle shall give
4 the transferee a written disclosure that the vehicle is
5 a salvage vehicle.

6 “(2) FALSE STATEMENT.—A person making a
7 written disclosure required by a regulation pre-
8 scribed under paragraph (1) of this subsection may
9 not make a false statement in the disclosure.

10 “(3) COMPLETENESS.—A person acquiring a
11 salvage vehicle for resale may accept a disclosure
12 under subsection (a) only if it is complete.

13 “(4) REGULATIONS.—The regulations pre-
14 scribed by the Secretary shall provide the way in
15 which information is disclosed and retained under
16 subsection (a).

17 “(b) LABEL REQUIREMENTS.—

18 “(1) IN GENERAL.—The Secretary shall by reg-
19 ulation require that a label be affixed to the wind-
20 shield or window of a rebuilt or remanufactured sal-
21 vage vehicle before its first sale at retail containing
22 such information regarding that vehicle as the Sec-
23 retary may require. The requirements prescribed by
24 the Secretary under this paragraph shall be similar
25 to the requirements of section 3 of the Automobile

1 Information Disclosure Act (15 U.S.C. 1232). The
2 label shall be affixed by the individual who conducts
3 the applicable State antitheft inspection.

4 “(2) REMOVAL, ALTERATION, OR ILLEGIBILITY
5 OF REQUIRED LABEL.—No person shall willfully re-
6 move, alter, or render illegible any label required by
7 paragraph (1) affixed to a rebuilt or remanufactured
8 salvage vehicle before the vehicle is delivered to the
9 actual custody and possession of the ultimate pur-
10 chaser of the vehicle.

11 **“§ 33304. Report on funding**

12 “The Secretary shall, contemporaneously with the is-
13 suance of a final rule pursuant to section 33302(b), report
14 to appropriate committees of Congress whether the costs
15 to the States of compliance with such rule can be met by
16 user fees for issuance of titles, issuance of registrations,
17 issuance of duplicate titles, inspection of rebuilt vehicles,
18 or for the State services, or by earmarking any moneys
19 collected through law enforcement action to enforce re-
20 quirements established by such rule.

21 **“§ 33305. Petitions for extensions of time**

22 “The Secretary may grant a State, for good cause
23 shown, an extension of time to comply with the require-
24 ments established in section 33302(a). No such extension

1 shall remain in effect on or after the compliance date es-
2 tablished pursuant to section 33302(b).

3 **“§ 33306. Effect on State law**

4 “(a) IN GENERAL.—Effective on the date the rule
5 promulgated pursuant to section 33302 becomes effective,
6 the provisions of this chapter shall preempt all State laws,
7 to the extent they are inconsistent with the provisions of
8 this chapter or the rule promulgated pursuant to section
9 33302, which—

10 “(1) set forth the form of the passenger motor
11 vehicle title;

12 “(2) define, in connection with a passenger
13 motor vehicle (but not in connection with a pas-
14 senger motor vehicle part or part assembly separate
15 from a passenger motor vehicle), any term defined
16 in section 33301 or the terms ‘salvage’, ‘junk’, ‘re-
17 constructed’, ‘nonrepairable’, ‘unrebuildable’, ‘scrap’,
18 ‘parts only’, ‘rebuilt’, ‘flood’, or any other symbol or
19 word of like kind, or apply any of those terms to any
20 passenger motor vehicle (but not to a passenger
21 motor vehicle part or part assembly separate from a
22 passenger motor vehicle); and

23 “(3) set forth titling, recordkeeping, anti-theft
24 inspection, or control procedures in connection with
25 any salvage vehicle, rebuilt salvage vehicle, non-

1 repairable vehicle, or flood vehicle defined in section
2 33301.

3 The requirements described in paragraph (3) shall not be
4 construed to affect any State consumer law actions that
5 may be available to residents of the State for violations
6 of this chapter.

7 “(b) CONSTRUCTION.—Additional disclosures of a
8 passenger motor vehicle’s title status or history, in addi-
9 tion to the terms defined in section 33301, shall not be
10 deemed inconsistent with the provisions of this chapter.
11 When used in connection with a passenger motor vehicle
12 (but not in connection with a passenger motor vehicle part
13 or part assembly separate from a passenger motor vehi-
14 cle), any definition of a term defined in section 33301
15 which is different than the definition in that section or
16 any use of any term listed in subsection (a), but not de-
17 fined in section 33301, shall be deemed inconsistent with
18 the provisions of this chapter. Nothing in this chapter
19 shall preclude a State from disclosing on a rebuilt salvage
20 title that a rebuilt salvage vehicle has passed a State safe-
21 ty inspection which differed from the nationally uniform
22 criteria to be promulgated pursuant to section
23 33302(b)(7).

1 **“§ 33307. Civil and criminal penalties**

2 “(a) PROHIBITED ACTS.—It shall be unlawful for any
3 person knowingly and willfully to—

4 “(1) make or cause to be made any false state-
5 ment on an application for a title (or duplicate title)
6 for a passenger motor vehicle;

7 “(2) fail to apply for a salvage title when such
8 an application is required;

9 “(3) alter, forge, or counterfeit a certificate of
10 title (or an assignment thereof), a nonrepairable ve-
11 hicle certificate, a certificate verifying an anti-theft
12 inspection or an anti-theft and safety inspection, or
13 a decal affixed to a passenger motor vehicle pursu-
14 ant to section 33302(b)(9)(I);

15 “(4) falsify the results of, or provide false infor-
16 mation in the course of, an inspection conducted
17 pursuant to section 33302(b)(7);

18 “(5) offer to sell any salvage vehicle or non-
19 repairable vehicle as a rebuilt salvage vehicle; or

20 “(6) conspire to commit any of the acts enu-
21 merated in paragraphs (1), (2), (3), (4), and (5).

22 “(b) CIVIL PENALTY.—Any person who commits an
23 unlawful act as provided in subsection (a) of this section
24 shall be fined a civil penalty of up to \$2,000 per offense.

25 “(c) CRIMINAL PENALTY.—Any person who commits
26 an unlawful act as provided in subsection (a) of this sec-

1 tion shall be fined up to \$50,000 or sentenced up to 3
2 years imprisonment or both, per offense.

3 **“§ 33308. Actions by States**

4 “(a) IN GENERAL.—Whenever an attorney general of
5 any State has reason to believe that the interests of the
6 residents of that State have been or are being threatened
7 or adversely affected because any person has engaged or
8 is engaging in a pattern or practice of violating section
9 33306, the State, as *parens patriae*, may bring a civil ac-
10 tion on behalf of its residents in an appropriate district
11 court of the United States to enjoin such violation or to
12 enforce the civil penalties under section 33307 or may en-
13 force the criminal penalties under section 33307.

14 “(b) NOTICE.—The State shall serve prior written
15 notice of any civil or criminal action under subsection (a)
16 or (e)(2) upon the Attorney General and provide the At-
17 torney General with a copy of its complaint, except that
18 if it is not feasible for the State to provide such prior no-
19 tice, the State shall serve such notice immediately upon
20 instituting such action. Upon receiving a notice respecting
21 a civil or criminal action, the Attorney General shall have
22 the right—

23 “(1) to intervene in such action;

24 “(2) upon so intervening, to be heard on all
25 matters arising therein; and

1 “(3) to file petitions for appeal.

2 “(c) CONSTRUCTION.—For purposes of bringing any
3 civil or criminal action under subsection (a), nothing in
4 this Act shall prevent an attorney general from exercising
5 the powers conferred on the attorney general by the laws
6 of such State to conduct investigations or to administer
7 oaths or affirmations or to compel the attendance of wit-
8 nesses or the production of documentary and other evi-
9 dence.

10 “(d) VENUE; SERVICE OF PROCESS.—Any civil or
11 criminal action brought under subsection (a) in a district
12 court of the United States may be brought in the district
13 in which the defendant is found, is an inhabitant, or trans-
14 acts business or wherever venue is proper under section
15 1391 of title 28, United States Code. Process in such an
16 action may be served in any district in which the defend-
17 ant is an inhabitant or in which the defendant may be
18 found.

19 “(e) ACTIONS BY OTHER STATE OFFICIALS.—

20 “(1) Nothing contained in this section shall
21 prohibit an authorized State official from proceeding
22 in State court on the basis of an alleged violation of
23 any civil or criminal statute of such State.

24 “(2) In addition to actions brought by an attor-
25 ney general of a State under subsection (a), such an

1 action may be brought by officers of such State who
2 are authorized by the State to bring actions in such
3 State on behalf of its residents.”.

○