

AN ACT

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

*Codification  
District of  
Columbia  
Official Code*

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To permit a company that stores an unclaimed vehicle that was in an accident, stolen, or abandoned to obtain a scrap title to allow it to use or sell the vehicle for parts; to amend the District of Columbia Traffic Act, 1925 to exempt a vehicle for which a scrap title is issued from excise tax; and to amend the Removal and Disposition of Abandoned and Other Unlawfully Parked Vehicles Act of 2003 to make a conforming amendment.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Scrap Vehicle Title Authorization Act of 2006".

Sec. 2. Definitions.

For purposes of this act, the term:

(1) "Abandoned vehicle" shall have the same meaning as set forth in section 2 of the Removal and Disposition of Abandoned and Other Unlawfully Parked Vehicles Reform Act of 2003, effective October 28, 2003 (D.C. Law 15-35; D.C. Official Code § 50-2421.02).

(2) "Accident vehicle" means any motor vehicle, trailer, or semitrailer that was towed from the scene of an accident pursuant to section 406 of Title 16 of the District of Columbia Municipal Regulations.

(3) "Director" means the Director of the Department of Public Works.

(4) "Scrap title" means a certificate of title issued by the Department of Motor Vehicles pursuant to section 6.

(5) "Stolen vehicle" means a vehicle that was identified by the Metropolitan Police Department or another police organization as having been stolen from the rightful owner of the vehicle.

Sec. 3. Removal of abandoned, accident, or recovered stolen vehicles by private tow companies; notice of removal.

(a) An abandoned, accident, or recovered stolen vehicle may be removed from public space or private property and stored by a private towing company at a storage facility consistent with chapter 4 of Title 16 of the District of Columbia Municipal Regulations. Within 5 days after the vehicle has been towed to the storage facility, the Department of Public Works shall send a towing and storage notice by first-class mail to the last known address of the owner of record of the vehicle and the lienholders of record, based on information in the records of the Department of Motor Vehicles or in the records of the appropriate agency of the jurisdiction where the vehicle is registered. The Department of Public Works shall also provide electronic or other notice to the National Insurance Crime Bureau or other national organization identified by the Director that collects data on stolen vehicles to permit the organization to determine whether the vehicle is stolen. If the vehicle was removed from private property, notice shall

also be sent by first-class mail to the owner of that property, based on information in the records of the District of Columbia Office of Tax and Revenue. The notice shall:

(1) Describe the year, make, model, and vehicle identification number of the vehicle; except, that the Director may waive this requirement if the vehicle is so damaged that none of this identifying information can be determined;

(2) Indicate why the vehicle was towed;

(3) Identify the location where the vehicle is stored; and

(4) Advise the owner and lienholders of the procedures for reclaiming the vehicle, including:

(A) The payment due for the towing charges and storage fees imposed pursuant to section 9 of the Removal and Disposition of Abandoned and Other Unlawfully Parked Vehicles Reform Act of 2003, effective October 28, 2003 (D.C. Law 15-35; D.C. Official Code § 50-2421.09);

(B) The time period in which the vehicle may be reclaimed; and

(C) A warning that a scrap title shall be issued to the private towing company if the vehicle is not reclaimed by the expiration of the reclamation period.

(b) If the address of the owner or lienholders cannot be determined, the Department of Public Works shall publish a towing and storage notice in a newspaper of general circulation in the District within 10 days after a vehicle is delivered by a private towing company to a storage facility. If any mailed notice is returned as undeliverable within 14 days after the date of mailing, a towing and storage notice shall also be published. The published notice may contain a listing of more than one vehicle and, for each vehicle, shall:

(1) Describe the year, make, model, and vehicle identification number of each vehicle; except, that the Director may waive this requirement if the vehicle is so damaged that none of this identifying information can be determined;

(2) Provide a telephone number or website address to inform the owner or lienholders of the vehicle reclamation procedures;

(3) Indicate the date by which the vehicle must be reclaimed; and

(4) Warn the owner and lienholders that the towing service may be issued a scrap title for the vehicle if the procedures are not completed by the expiration of the reclamation period.

#### Sec. 4. Vehicle reclamation period.

A vehicle that is towed and stored pursuant to this act shall be reclaimed within 28 days after the date of the notice sent pursuant to section 3(a); except, that if the address of either the owner or the lienholders is unknown, the vehicle shall be reclaimed within 14 days after the publication date of reclamation notices under section 3(b).

Sec. 5. Procedures for reclaiming abandoned, accident, or recovered stolen vehicles that have been privately towed and stored.

An owner or lienholder, or person duly authorized by either, may reclaim an abandoned, accident, or recovered stolen vehicle that was towed by a private company and is stored on a private lot at any time before the expiration of the reclamation period by:

(1) Appearing at the facility where the vehicle is located;

(2) Paying the towing charges and storage fees to the tow company and reclaiming the vehicle; and

(3) Furnishing proof of entitlement to possession of the vehicle.

Sec. 6. Effect of failure to reclaim vehicle; issuance of scrap title.

(a) If a vehicle is not reclaimed within the reclamation period in accordance with section 4, the towing company in possession of the vehicle may submit an application for a scrap title to the Director, along with any information or documents that the Director may reasonably require in order to establish that the vehicle was properly towed and was not properly reclaimed. If the Director concludes that the vehicle was properly towed and was not properly reclaimed, the Director shall request that the Department of Motor Vehicles issue a scrap title to the towing company upon payment of any fees required for the issuance of a scrap title, and the Department of Motor Vehicles shall issue that title.

(b) An officer of the Metropolitan Police Department or other District of Columbia government employee deemed qualified by the Director shall physically inspect each vehicle for which an application for a scrap title has been submitted and notify the National Insurance Crime Bureau or other national organization identified by the Director that collects data on stolen vehicles of the vehicle identification numbers as part of an effort to verify the accuracy of the vehicle identification numbers of vehicles stored at privately owned tow truck storage lots and to determine whether a stolen vehicle record has been cleared.

(c) The scrap title authorized by this act shall give the holder of the title the right to possess the vehicle and to use or sell some or all of the vehicle for parts only.

(d) All future titles issued for a vehicle titled under the provisions of this act shall be scrap titles.

(e) After a scrap title is issued for a vehicle, that vehicle may not be registered in the District of Columbia.

Sec. 7. Rulemaking.

The Mayor, or designee, is authorized, pursuant to Title I of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat. 1204; D.C. Official Code § 2-501 *et seq.*), to promulgate, amend, or repeal rules and to establish or modify cost-based fees to implement the provisions of this act.

Sec. 8. Effect of Repeal.

The repeal of any law or regulation as a result of the enactment of this act shall not invalidate any enforcement action, adjudication, or other action made or taken pursuant to that law or regulation.

Sec. 9. Applicability.

(a) This act shall apply to all vehicles towed by a private tow company under section 3(a) after the effective date of this act.

(b) This act shall also apply to all vehicles towed prior to the effective date; provided, that notice is sent to the owners in accordance with section 3(a) or published in a newspaper of general circulation in accordance with section 3(b).

Sec. 10. Section 6(j)(3) of the District of Columbia Traffic Act, 1925 (43 Stat. 1121; D.C. Official Code § 50-2201.03(j)(3)), is amended by adding a new subparagraph (N) to read as follows:

Amend  
§ 50-2201.03

"(N) Any vehicle for which the certificate of title issued is a scrap title

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issued pursuant to section 6 of the Scrap Vehicle Title Authorization Act of 2006, passed on 2<sup>nd</sup> reading on April 4, 2006 (Enrolled version of Bill 16-206).”.

Sec. 11. The lead-in language of section 9(a) of the Removal and Disposition of Abandoned and Other Unlawfully Parked Vehicles Act of 2003, effective October 28, 2003 (D.C. Law 15-35; D.C. Official Code § 50-2421.09(a)), is amended by striking the phrase “impounded vehicle” and inserting the phrase "impounded vehicle stored at a District government impoundment facility" in its place.

**Amend  
§ 50-2421.09**

Sec. 12. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

Sec. 13. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia