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735-024-0070

**Notice of Vehicles to be *[that Are]* Wrecked, Dismantled, Disassembled, or Substantially Altered in Form -- Responsibility of Parties**

(1) The types of vehicles that are subject to the provisions of ORS 819.010 (*[e.g.,]* wrecked, dismantled, **disassembled** or substantially altered) include:

- (a) Vehicles of the type that, when operated over the highways of this state, are required to be registered and titled;
- (b) Class I or III all-terrain vehicles;
- (c) Snowmobiles; and
- (d) Any other vehicle that has been issued a title by DMV<sup>[;]</sup> or by another jurisdiction.

**(2) This rule does not apply to a person who holds a current valid dismantler certificate issued under ORS 822.110.**

**(3)** *[(2)]* ORS 819.010 and any related rules apply if the activity described in ORS 819.010 and OAR 735-024-0050 is performed in this state, and the vehicle is of a type covered in section (1) of this rule. This applies to vehicles titled in Oregon, those titled in another jurisdiction, and any vehicle not subject to title requirements.

*[(3) A person who dismantles, disassembles, wrecks or substantially alters the form of a vehicle, must comply with the provisions of ORS 819.010 and apply for an Oregon salvage title except as provided in ORS 819.016 and OAR 735-024-0130.]*

(4) Primary ownership documents for vehicles described in section (1) of this rule may be surrendered to DMV, in **place** *[lieu]* of the certificate of title where a title does not exist, or where ownership is being transferred by operation of law and the title is not available.

(5) The Oregon title certificate, foreign title certificate, or primary ownership document must be surrendered to DMV together with the application for salvage title, if a salvage title is required.

(6) The Oregon title **and, unless lost or completely destroyed, the vehicle's registration card and registration plates** must be surrendered to DMV along with a written statement that indicates the vehicle was dismantled, disassembled, wrecked or substantially altered, if a salvage title is not required. The statement must be submitted on a DMV Form 735-6017, "Notice of Vehicle to be Dismantled/Proof of Compliance<sup>[, "if submitted by someone other than a dismantler issued a certificate under ORS 822.110]."</sup>

*[(7) Except as provided in section (11) of this rule, registration cards and registration plates that are required to be surrendered, may be submitted with the title or primary ownership document, or submitted separately to DMV, along with information as to why they are being surrendered.]*

**(7)** *[(8)]* Vehicles that are subject to this rule may not be repaired, rebuilt, transferred, or the **vehicle's** frame or unibody used for repairing or constructing another vehicle, until a salvage title is applied for and issued, consistent with ORS 819.016 and 819.018.

**(8)** *[(9)]* If a salvage title is not required, DMV may issue proof of compliance upon request, if:

- (a) The title or primary ownership document is surrendered to DMV;
  - (b) DMV is provided with documentation that indicates the vehicle has been wrecked, dismantled, [or] disassembled **or substantially altered**; and
  - (c) DMV is satisfied that a salvage title is not required.
- (9)** [(10)] The act of wrecking, dismantling, disassembling or substantially altering a vehicle [will] **does** not by itself cause a vehicle to be considered a totaled vehicle. Such a vehicle:

- (a) Is subject to the requirements under ORS 819.010 and DMV rules; and
- (b) Is not considered totaled, and is not subject to requirements that apply to totaled vehicles unless the vehicle was determined to be totaled before the vehicle was **wrecked**, dismantled, disassembled[, wrecked] or substantially altered.

*[(11) Notwithstanding section (7) of this rule, dismantler must destroy the registration card issued to and registration plates attached to a motor vehicle acquired by the dismantler. Registration cards and registration plates must be destroyed to the extent that they can never be used again. For purposes of this section, "acquired" means to take physical possession of a motor vehicle together with possession of the vehicle's ownership record. ]*

Stat. Auth.: ORS 184.616, 184.619, 802.010, 803.140, **819.010** [&] 819.012, **819.014, 819.016 and** [-] 819.018  
 Stats. Implemented: ORS 819.010, 819.012, **819.014, 819.016**, 819.018, **819.030 and** [-] 819.040

735-024-0080

Abandoned Vehicles Sold Under ORS 819.220

(1) This rule defines terms and establishes procedures **and requirements** for the sale **and purchase** of abandoned vehicles under ORS 819.220. As used in this rule:

(a) "Authority" means an agency authorized under ORS 819.140 to take custody of and dispose of abandoned vehicles.

[(b) "Dismantler" means a person issued a certificate under ORS 822.110.]

**(b)** [(c)] "Purchaser" means a person to whom the authority sold a vehicle under the provisions of ORS 819.220 but does not include a dismantler.

(2) In addition to [complying with] **all** other applicable [provisions] **requirements** of ORS 819.220, an authority must provide [to] the purchaser [or dismantler] a certificate of sale and a Notice of Vehicle to be Dismantled/Proof of Compliance (DMV Form 735-6017).

(3) The purchaser must:

(a) Submit [a] Form 735-6017 to [notify] DMV **seven days before the date of taking any action** [if the purchaser intends] to wreck, dismantle, disassemble or substantially alter the form of the vehicle [as required under ORS 819.010]; and

(b) Submit [another copy of the] **a second** Form 735-6017 to DMV along with the title or primary ownership document (e.g., sheriff's certificate of sale), within 30 days **from the date** [of when] the vehicle **was** [has been] wrecked, dismantled, disassembled or substantially altered, if the vehicle is exempt from salvage title requirements under ORS 819.016 or OAR 735-024-0130.

*[(4) Dismantlers who purchase vehicles under ORS 819.220, must comply with the provisions of ORS 819.010 as it applies to dismantlers, and any other provisions of law or rule that apply to dismantlers.]*

**(4)** [(5)] Except as otherwise provided in ORS 819.016 and OAR 735-024-0130, a purchaser must apply to DMV for a salvage title.

**(5)** [(6)] Even if other provisions of this rule apply, a purchaser who purchased a vehicle under ORS 819.220 before January 1, 1992, is not required to apply for salvage title unless:

(a) The vehicle is repaired. If the vehicle is repaired, the applicant may apply for a salvage title or a branded certificate of title showing the vehicle as assembled, reconstructed or a replica, whichever applies;

(b) The vehicle is wrecked, dismantled, disassembled or substantially altered in form; or

(c) **The purchaser transfers** [O]ownership of the frame or unibody [*of the vehicle is transferred*].

Stat. Auth.: ORS 184.616, 184.619[,], **and** 802.010, [819.110, 819.140, & 819.220]

Stats. Implemented: ORS **819.140 and** 819.220

735-032-0020

Plates Considered Void

[(1)] Registration plates that are **required to be** surrendered to DMV are [*considered*] void and may not be used to register or operate a vehicle again. This does not apply to plates surrendered to DMV in error and that have not already been destroyed.

*[(2) When a dismantler issued a certificate under ORS 822.110 acquires a wrecked vehicle with Oregon registration plates the plates are considered void and may not be used to register or operate a vehicle again. For purposes of this rule, "acquires" means physical possession of a motor vehicle together with possession of the vehicle's ownership record.]*

Stat. Auth.: ORS 184.616, 184.619[,], **and** 802.010[,], 803.210, 803.380, 819.010- 819.030 & 822.100 - 822.145]

Stats. Implemented: ORS **803.350, 803.380, 803.590,** 809.080 [&] **and** 809.110

735-152-0000

Definitions

As used in this division the following definitions apply:

(1) "Acquires," "acquired" or "acquisition" means physical possession of a motor vehicle together with possession of the vehicle's ownership record.

**(2) "Cancellation" has the same meaning as "revocation" as defined in section (17) of this rule.**

**(3)** [(2)] "Certificate of sale" has the same meaning as defined in ORS 801.183.

**(4)** [(3)] "Date of sale" means the date that a purchaser takes possession of a major component purchased from a dismantler.

**(5)** [(4)] "Destroy" has the same meaning as defined in ORS 822.133.

**(6)** [(5)] "Dismantler" has the same meaning as defined in ORS 801.236.

**(7)** [(6)] "Dismantle" means one or more **major component** parts are removed from a motor vehicle acquired by a dismantler.

**(8)** [(7)] "Dispose" or "disposed of" means a motor vehicle acquired by a dismantler **that** is transferred to another person or is dismantled or destroyed.

**(9)** [(8)] "DMV" means the Driver and Motor Vehicle Services Division of the Oregon Department of Transportation.

**(10)** [(9)] "Employee" means a person over whom a dismantler exercises the type of control typically associated with an employer, including:

- (a) Determining the frequency, method and amount of compensation;
- (b) Determining whether the person's work is continuous or intermittent;
- (c) Determining the hours or frequency of a person's work; or
- (d) Retaining the ability to terminate the relationship.

**(11)** [(10)] "Major component part" has the same meaning as defined in ORS 822.137.

**(12)** [(11)] "**Primary ownership document**" or "[O]wnership record," **as used in ORS 822.135, has the same meaning as** [means a P] "**primary [O]wnership**" record as defined in ORS 801.402 and includes [those] **the primary ownership** documents described in OAR 735-020-0010 or an abandoned vehicle certificate [under] **described in** OAR 735-024-0077.

[(12) "Permanent revocation" means to permanently revoke a dismantler certificate and the right to apply for a dismantler certificate. A person subject to permanent revocation of a dismantler certificate is ineligible to apply for a new dismantler certificate.]

(13) "Person" means an individual, partnership, corporation, association, or any other business organization if the context in which the term is used could also include these organizational forms.

(14) "Principal" means any owner, partner, corporate officer or other person who controls or manages the business organization or the employees or agents of the business organization.

(15) "Probation" means a period of time specified by DMV that a dismantler may continue to operate, but only under terms or conditions established by DMV.

**(16) "Revocation" means to void and terminate a dismantler certificate or the principal's right to apply for a dismantler certificate.**

[(16) "Salvage Pool" means a person providing a storage service for salvage vehicles, and who either displays the vehicles for resale or solicits bids for the sale of salvage vehicles for other owners. This definition also applies to insurance companies who store and display salvage vehicles for sale. Salvage pools are considered dismantlers and must comply with all applicable requirements of ORS 822.100 through 822.150 and DMV rules pertaining to dismantlers.]

(17) "Salvage Vehicle" means a vehicle which has sustained damages sufficient to require it to be rebuilt or disassembled for parts. This definition does not apply to: Campers, boats, canopies, mopeds, travel trailers, motorcycles, snowmobiles or Class I or III all-terrain vehicles or vehicles whose unloaded weight exceeds 8,000 pounds.]

**(17)** [(18)] "Sanction" means an action taken by DMV against a dismantler's certificate, **or the principal of a dismantler business**, for non-compliance with Oregon law or [any applicable] DMV rule **related to dismantlers or the operation of a dismantler business**.

**(18)** [(19)] "Suspension" means the temporary withdrawal of the authority to act as a dismantler.

[(20) "Revocation" means to void and terminate a dismantler certificate. Unless permanently revoked, DMV will specify the period of time before the person subject to the revocation may apply for a new dismantler certificate.]

**(19)** [(21)] "Vehicle Business" includes vehicle dealers as defined in OAR 735-150-0010(14), dismantlers, towing businesses, vehicle transporters[, salvage pools] and repair shops.

**(20)** [(22)] "Violation" means any violation of Oregon law or a DMV rule applicable to a dismantler issued a certificate or any person engaged in dismantling activities.

**(21)** [(23)] "Warning" means a documented warning or correction notice issued to a principal or employee of a dismantler business.

**(22)** [(24)] "Wrecked vehicle" has the same meaning as defined in ORS 822.133.

**(23)** [(25)] "Written report" means DMV Form 270, Vehicle Dismantler's Notice and the original ownership record for the vehicle.

Stat. Auth.: ORS 184.616, 184.619, [801.133, 801.236,] 802.010, **822.125, 822.130, 822.135 and 822.137** [822.100 - 822.150]

Stats. Implemented: ORS [822.125 &] 822.100, **822.105, 822.110, 822.115, 822.120, 822.125, 822.130, 822.133, 822.135, 822.137, 822.140, 822.145 and** [-] 822.150

735-152-0040

Dismantler Violations Subject to Sanction

A dismantler is subject to **the sanctions described under** OAR 735-152-0050 if the dismantler:

(1) Commits the offense of improperly conducting a motor vehicle dismantling business for any of the reasons set forth in ORS **822.133, 822.135, 822.145 or relevant rules adopted by DMV.**

(2) Allows a person who is not an employee of the dismantler to imply or represent an affiliation with the dismantler business [*in order*] to engage in any activity that would subject that person to dismantler certification and regulatory requirements.

(3) Fails to allow DMV to conduct an inspection.

[(4) Fails to apply for a salvage title if required under ORS 819.016.]

**(4)** [(5)] Is issued notice that the dismantler's bond under ORS 822.120 is cancelled.

**(5)** [(6)] Fails to pay any civil penalty imposed under ORS 822.133 and 822.137.

Stat. Auth.: ORS 184.616, 184.619, 802.010, **822.125, 822.130, 822.135 and 822.137** [822.100 - 822.150]

Stats. Implemented: ORS 822.100, **822.105, 822.110, 822.115, 822.120, 822.125, 822.130, 822.133, 822.135, 822.137, 822.140, 822.145 and** [-] 822.150

735-152-0050

## Sanctions

(1) DMV may impose sanctions **against any person issued a valid dismantler certificate or a principle of a dismantler business, if** *[when]* it determines **either** *[a dismantler]* has violated **any Oregon law or** *[provisions of the Motor Vehicle Code or rules promulgated by]* DMV rule relating to the operation of a dismantler business.

(2) Sanctions may be imposed against either or both of the following:

(a) A dismantler's certificate;

(b) A principal of the dismantler business.

(3) Factors DMV may consider when imposing a sanction **against a dismantler** include:

(a) The severity of the violation or its impact on the public;

(b) The number of similar or related violations;

(c) Whether *[the]* **a** violation*[s were]* **was** willful or intentional; and

(d) **Any** *[P]*previous sanction*[s]*, civil penalty*[ies and]* **or** warning*[s]* issued or imposed against the dismantler or principal*[s of the dismantler business]*.

(4) DMV *[shall]* determine*s* the **appropriate** sanction to impose when it determines **a** violation*[s have]* **has** occurred *[or are occurring]*. These may include one or more of the following:

(a) Verbal or written warning*[s]*, including **a** correction notice*[s]*.

**(b) Probation under conditions set by DMV, for up to three years.**

**(c)** *[(b)]* *[A revocation]* **Suspension** of the dismantler certificate and the right to apply for a dismantler certificate, for up to three years.

**(d)** *[(c)]* *[Permanent r]*Revocation of the dismantler certificate and the right to apply for a dismantler certificate. **A person subject to permanent revocation of a dismantler certificate is ineligible to apply for a new dismantler certificate, for up to five years.**

**(e)** *[(d)]* *[Revocation]* **Suspension** of the right of a principal of a dismantler business to apply for a dismantler certificate **for a different** *[or another]* vehicle-related business, **or in** *[including a vehicle related business with]* a different business name, **for up to three years.**

**(f)** *[(e)]* *[Permanent r]*Revocation of the right of a principal of a dismantler business to apply for a dismantler certificate **for a different** *[or another]* vehicle-related business, including a vehicle-related business with a different business name, **for up to five years.**

**(g)** *[(f)]* Cancellation of the dismantler certificate if it is determined the applicant or a principal of the business is ineligible for a dismantler certificate.

**(h)** *[(g)]* Immediate suspension or cancellation as provided in ORS 822.145(2) upon receipt of *[a]* **legal** notice the dismantler's bond under ORS 822.120 is canceled.

**(i)** *[(h)]* Immediate suspension or cancellation for failure to pay **any** *[civil]* penalty imposed under ORS *[822.133 and]* 822.137 and OAR 735-152-0045.

(5) A dismantler or principal whose business certificate or privileges are suspended, canceled or revoked is entitled to a contested case hearing as provided in the Oregon Administrative Procedures Act under ORS [183.413 to 183.500] **chapter 183**.

(6) Except as provided in section (7) of this rule, a dismantler's request for a hearing shall be submitted in writing to and received by DMV within 20 days of the date of the notice of [the] revocation, **suspension** or cancellation. A hearing request received in a timely manner shall result in a withdrawal of the revocation **suspension** or cancellation pending the outcome of the hearing.

(7) In the instance of an immediate suspension or cancellation as provided by subsection (4)(g) or (h) of this rule, a dismantler's request for a hearing shall be submitted in writing to and received by DMV within 90 days of the date the notice is issued. A hearing request received in a timely manner shall not result in a withdrawal of the suspension or cancellation pending the outcome of the hearing.

(8) In order for a request for hearing to be timely, the request must be [postmarked or] received by DMV within the time periods established in sections (6) and (7) of this rule. If the request for hearing is not timely received, the person waives their right to a hearing, except as provided in OAR 137-003-0528. The time periods will be computed as set forth in OAR 137-003-0520(8).

(9) When **DMV does not receive** a timely request for a hearing [is not received], the dismantler or principal [will have] defaults[ed], waives[d] the right to a hearing and DMV's file [will then] constitute[s] the record of the case.

[Publications: Publications referenced are available from the agency.]

Stat. Auth.: ORS 184.616, 184.619, 802.010, **822.125, 822.133 and 822.137** [822.100 - 822.150]

Stats. Implemented: ORS 822.100, **822.105, 822.110, 822.115, 822.120, 822.125, 822.130, 822.133, 822.135, 822.137, 822.140, 822.145 and** [-] 822.150

735-152-0060

#### Civil Penalty Matrix for Certified Dismantlers

DMV may impose a civil penalty against a motor vehicle dismantler for any violation described under ORS **822.133, 822.137** and DMV rules. DMV adopts this civil penalty matrix to determine civil penalty amounts that may be imposed against dismantlers for specific violations. DMV may modify a civil penalty assessed against a dismantler under the provisions of OAR 735-152-0045. Under this rule, an offense is a "second or subsequent offense" if a dismantler committed the same offense within three years of the offen[c]se under consideration.

(1) Fraudulently obtaining a dismantler certificate by submission of an application under OAR 735-152-0005 containing a false statement or omission of a material fact: \$1,000, for the first and subsequent violation(s).

(2) Failure to notify DMV of any change in the information provided to DMV in the application submitted under OAR 735-152-0005 within 30 days of the change:

(a) For the first violation: warning;

(b) For the second violation: \$250;

(c) For the third violation: \$500;

- (d) For the fourth and subsequent violation(s): \$1,000.
- (3) Failure to comply with any provision of ORS 822.137(2)(f) or OAR 735-152-0031 concerning dismantler motor vehicle records:
  - (a) For the first violation: warning;
  - (b) For the second violation: \$250;
  - (c) For the third violation: \$500[.];
  - (d) For the fourth and subsequent violation(s): \$1,000.
- (4) Failure to comply with any provision of ORS 822.137(2)(f) or OAR 735-152-0031 concerning dismantler major component part records:
  - (a) For the first violation: warning;
  - (b) For the second violation: \$250;
  - (c) For the third violation: \$500[.];
  - (d) For the fourth and subsequent violation(s): \$1,000.
- (5) Failure to comply with ORS 822.133(2)(b), concerning removing parts or destroying a motor vehicle [*prior to*] **before** obtaining an ownership record for the vehicle:
  - (a) For the first violation: \$500[.];
  - (b) For the second and subsequent violation(s): \$1,000.
- (6) Failure to comply with ORS 822.133(2)(a), by acquiring a motor vehicle or major component part without first obtaining a certificate of sale and, if applicable, a certificate of title:
  - (a) For the first violation: warning;
  - (b) For the second violation: \$250;
  - (c) For the third violation: \$500[.];
  - (d) For the fourth and subsequent violation(s): \$1,000.
- (7) Failure to comply with ORS 822.133(2)(a) and OAR 735-152-0025(3) concerning physically separating or visually labeling a wrecked vehicle:
  - (a) For the first violation: \$250;
  - (b) For the second violation: \$500[.];
  - (c) For the third and subsequent violation(s): \$1,000.
- (8) Failure to comply with ORS 822.137(2)(b), regarding the possession, sale or [*otherwise*] dispos[ing]al of a motor vehicle or any part of a motor vehicle knowing that the vehicle or part has been stolen: \$1,000 for the first violation and subsequent violation(s).
- (9) Failure to comply with ORS 822.137(2)(c), regarding selling, buying, receiving, concealing, possessing or disposing of a motor vehicle or any part of a motor vehicle having a missing, defaced, intentionally altered or covered vehicle identification number, unless directed to do so by a law enforcement official: \$1,000 for the first violation and subsequent violation(s).

(10) Failure to comply with ORS 822.137(2)(d) by committing a forgery in the second degree, as defined in ORS 165.007, or misstating a material fact relating to a certificate of title, registration or other document related to a motor vehicle that has been reassembled from parts of other motor vehicles: \$1,000 for the first violation and subsequent violation(s).

(11) Failure to comply with ORS 822.137(2)(e) by fraudulently creating or modifying a dismantler certificate: \$1,000 for the first violation and subsequent violation(s).

(12) Failure to comply with ORS 822.137(2)(h) concerning a dishonest act or omission during the sale of a motor vehicle or major component part that, as determined by DMV, causes a loss to the purchaser: \$1,000 for the first violation and subsequent violation(s).

(13) Failure to comply with ORS 822.137(2)(i) concerning being convicted of a crime involving false statements or dishonesty that directly relates to the business of the dismantler or suffers any civil judgment imposed for conduct involving fraud, misrepresentation or conversion: \$1,000 for the first violation and subsequent violation(s).

(14) Failure to comply with ORS 822.133(2)(e) and OAR 735-152-0034 concerning furnishing DMV with a written report, in a form established by DMV by rule, after a wrecked vehicle is dismantled or destroyed:

(a) For the first violation: warning;

(b) For the second violation: \$250;

(c) For the third violation: \$500;

(d) For the fourth and subsequent violation(s): \$1,000.

(15) Failure to comply with ORS 822.133(2)(c) concerning failure to demolish the registration plates of a wrecked vehicle at the time the ownership record is received:

(a) For the first violation: warning;

(b) For the second violation: \$250;

(c) For the third violation: \$500;

(d) For the fourth and subsequent violation(s): \$1,000.

Stat. Auth.: ORS 184.616, 184.619, 802.010, [822.115,] 822.125, **822.130, 822.133**[822.130], 822.135, **822.137 and 822.150** [Ch. 514, 654, OL 2005]

Implemented: ORS 183.430, **822.105, 822.110, 822.115, 822.120, 822.125, 822.130, 822.133, [-] 822.135, 822.137, 822.140 and 822.150** [& Ch. 514, 654, OL 2005]