



State of Rhode Island
Department of Business Regulation
Division of Commercial Licensing
Auto Body Section
1511 Pontiac Ave, Bldg. 69-1
Cranston, RI 02920

AUTO BODY BULLETIN NUMBER 2021-1

Consumers and Salvaged Vehicles

This Bulletin is applicable to all Auto Body and Salvage Rebuilder licensees, licensed by the Department of Business Regulation (“Department”) pursuant to R.I. Gen. Laws § 5-38-1 *et seq.* and 230-RICR-30-05-02, the *Motor Vehicle Body and Salvage Vehicle Repair* regulation, and their consumers.

Many motorists are confused by the process of rebuilding a total loss vehicle. This document is intended to be informational and to assist your decision-making process. Once your vehicle is deemed a total loss by the insurance company and you have **settled** on its value, you may either **keep** or **not keep** your total loss vehicle.

If you...

- (1) Do not want to keep your vehicle:
 - a. Remove any/all personal belongings from the vehicle including the registration plates; and
 - b. Be sure to return the registration plates to the Department of Motor Vehicles (“DMV”) to avoid any penalties and tax implications unless you are utilizing them on a replacement vehicle.

- (2) Want to keep your vehicle and complete the salvage process:
 - a. The registered owner **MUST** surrender the vehicle’s title to the DMV and apply for a red salvage certificate for proof of ownership. This is **NOT** the same as registration.
 - Any/all liens must be satisfied at the time of title surrender.
 - b. **ALL** repairs on the insurance appraisal **MUST** be performed and by a licensed Salvage Rebuilder.
 - You **may not** pick and choose which repairs are fixed.



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- Check for a shop's license on the Department's website:
<https://elicensing.ri.gov/Lookup/LicenseLookup.aspx>.
- c. Once all repairs have been made, the vehicle must pass a *RI State Safety and Emissions* inspection.
- d. Once the vehicle passes the *RI State Safety and Emissions* inspection, you can schedule a salvage inspection with the DMV.
 - **Prior** to the salvage inspection, you will need to provide the DMV *Enforcement Office* the required documents (available at the DMV's website: <http://www.dmv.ri.gov/inspections/salvage/>),
 - **At** the salvage inspection, in addition to the above list, you will need to provide the DMV *Enforcement Office* the required documents (available at the DMV's website: <http://www.dmv.ri.gov/inspections/salvage/>),
- e. Once the vehicle passes the salvage inspection, you will be given an approved red salvage certificate (TR-5).

Other than the *process* of rebuilding a total loss vehicle, you may want to consider the following: (1) not all insurance companies will provide coverage for a rebuilt total loss vehicle; (2) not all financial institutions will finance a rebuilt total loss vehicle; (3) the value of a rebuilt total loss vehicle may be less once its rebuilt; (4) the time frame for rebuilding a total loss vehicle, including the necessary receipt of a salvage title, may approximate five months; (5) the rebuilt vehicle's ultimate title will be branded as "Reconstructed/Rebuilt"; and (6) if the vehicle does not complete the salvage rebuilding process or fails the salvage inspection, the vehicle cannot be sold except to a salvage yard, and only by the owner of the vehicle at the time of total loss who is listed on that title.

Donald DeFedele
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