**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 56‑19‑120 SO AS TO PROVIDE THAT ANY TRANSACTION BY ANYONE ENGAGED IN THE BUSINESS OF OPERATING A JUNK YARD OR SALVAGE YARD THAT INVOLVES A JUNK AUTOMOBILE OR SALVAGE AUTOMOBILE AS DEFINED IN 28 C.F.R. 25.52 MUST BE REPORTED TO THE DEPARTMENT OF MOTOR VEHICLES IN AN ELECTRONIC FORMAT AND TO PROVIDE A PENALTY FOR FAILURE TO COMPLY WITH THIS PROVISION.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Article 1, Chapter 19, Title 56 of the 1976 Code is amended by adding:

“Section 56‑19‑120. (A) Within forty‑eight hours of each day’s close of business, any transaction by any individual or entity engaged in the business of operating a junk yard or salvage yard that involves any junk automobile or salvage automobile as defined in 28 C.F.R. 25.52 shall be reported to the Department of Motor Vehicles in an electronic format as established by Section 56‑5‑5670(E)(4).

(B) The junk yard or salvage yard shall report the following information to the electronic system:

(1) the name, address, and contact information of the purchaser and seller;

(2) the number of any required license to buy or sell motor vehicles under this section or the number of the person’s driver’s license or other government‑issued photographic identification card issued to the purchaser and seller, if the person is an individual;

(3) the vehicle’s make, model, year, and vehicle identification number;

(4) the date the vehicle was obtained;

(5) a statement of whether the vehicle was, or will be, crushed, disposed of, offered for sale or other purposes; and

(6) a statement of whether the vehicle is intended for export out of the United States.

(C) The entity shall verify with the Department of Motor Vehicles whether or not the motor vehicle has been reported stolen. The Department of Motor Vehicles shall make the electronic system established under Section 56‑5‑5670(E)(4) available to a person subject to this section to verify, at the time of the transaction, that the vehicle has not been reported stolen, and allow for the department’s response to be printed and retained by the person making the request. One of the following shall apply following the department’s response:

(1) if the department confirms that the motor vehicle has been reported stolen, the reporting entity shall not complete the transaction and shall notify the department of the current location of the vehicle and the identifying information of the person attempting to transfer the vehicle; or

(2) if the department confirms that the motor vehicle has not been stolen, the reporting entity may proceed with the transaction and shall not be held criminally or civilly liable if the motor vehicle later turns out to be a stolen vehicle, unless the reporting entity had knowledge that the motor vehicle was a stolen vehicle.

(D) The Department of Motor Vehicles shall make the information received under subsection (B) available, without charge and upon request, to any law enforcement agency or the department when the person acting on behalf of any of these entities is acting within the course and scope of the entity’s duties.

(E) The department shall provide to the National Motor Vehicle Titling Information System on behalf of the reporting entity within two business days the information necessary to comply with the requirement for the junk or salvage yard to report as required by 28 C.F.R. 25.56.

(F) Except as authorized by this section, the department shall not release personal information received under subsection (B).

(G) It is a misdemeanor subject to a minimum fine of one thousand dollars per violation for any person to:

(1) knowingly violate this section;

(2) knowingly fail to report as required under subsection (B);

(3) falsify the statement required under subsection (B)(5);

(4) knowingly falsify the statement required under subsection (B)(6); or

(5) knowingly sell a vehicle which is the subject of any security interest or lien.

(H) Actions to impose the penalties under subsection (G) may be brought by any local or state law enforcement agency, solicitor, or by the attorney general and reporter in any court of competent jurisdiction.

(I) All fees collected pursuant to this subsection shall be transferred accordingly:

(1) one‑half of the monies generated from the penalties under subsection (G) shall be paid to the department;

(2) the remaining one‑half of the monies generated from the penalties under subsection (G) shall be deposited accordingly:

(a) in the general fund of the municipality if the suit was brought in municipal court;

(b) in the general fund of the county if the suit was brought in the court of a county; or

(c) to the appropriate state law enforcement agency, if the suit was brought by any county, state, or municipal law enforcement agency.

(J) Monies generated from the penalties under subsection (G) shall be used only for the enforcement, investigation, prosecution, and training related to violations of this section, auto thefts, or motor vehicle‑related crimes.

(K) A court of competent jurisdiction also shall order a seller under this section to make restitution to the owner or lienholder, and to the motor vehicle dismantler or recycler, or scrap metal processor, for any damage or loss caused by the seller arising out of an offense committed by the seller, including attorney’s fees.

(L) Any motor vehicle used to transport a motor vehicle illegally sold under this section shall be subject to seizure and forfeiture by any law enforcement officer authorized to effectuate an arrest. The seizure and forfeiture shall be conducted in accordance with the procedure pursuant to Section 16‑3‑1270.”

SECTION 2. This act takes effect upon approval by the Governor.

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