



K a n s a s I n s u r a n c e D e p a r t m e n t

Sandy Praeger COMMISSIONER OF INSURANCE

Bulletin 2004-8

TO: All Insurance Companies and Self-Insurers Authorized To Write And Provide Motor Vehicle Liability and Physical Damage Insurance Coverages

FROM: Sandy Praeger
Kansas Commissioner of Insurance

DATE: November 1, 2004

RE: Valuation and Salvage Motor Vehicle Requirements – Documentation of Claim Files

Attached is a [Kansas Department of Revenue - Division of Motor Vehicles – Titles and Registration Bureau Memorandum](#) from Title Manager Ray Wilk dated June 23, 2004 which, among other statutory provisions, set forth amended definitions of salvage motor vehicle and salvage title requirements. See Attachment.

It is the Kansas Insurance Department's position that amended K.S.A. 8-197 requires insurance companies and self-insurers to total a vehicle when the total retail cost of repair meets or exceeds seventy-five (75%) percent of the retail value of the motor vehicle. The foregoing excludes exterior cosmetic damage that results from windstorm or hail. K.S.A. 8-197(b)(2)(B) and (C).

Furthermore, the "retail value of a motor vehicle" is the actual cash value and the retail fair market value of the motor vehicle. K.S.A. 8-197(b)(7)(A) and (B).

Pursuant to K.S.A. 8-198, the attached Memorandum, and K.A.R. 40-1-34, insurance companies and self-insurers shall document their claim files regarding written notification requirements for applying for a salvage title.

If you have any question regarding this Bulletin, please contact Ed Sable at 420 SW 9th Street, Topeka, Kansas 66612 by telephone at (785) 296-7825 or email at esable@ksinsurance.org or Daryl Richardson by telephone at (785)296-2634 or email at drichard@ksinsurance.org.