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Section 1 Authority

This regulation ("Regulation") is promulgated pursuant to the authority granted in R.I. Gen. Laws § 42-14.2-1 et seq. and R.I. Gen. Laws § 42-35-1 et seq.

Section 2 Purpose

The purpose of this Regulation is to establish standards and procedures for the issuance of Auto Wrecking and Salvage Yard licenses and to generally assist the Department in carrying out the administration and enforcement of the terms and provisions of R.I. Gen. Laws § 42-14.2-1 et seq. so that the public interest may be effectively served.

Section 3 Definitions


(B) “Applicant” means a Person filing an application or a renewal application for an Auto Wrecking and Salvage Yard license.

(C) “Auto Wrecking Yard” or “Auto Salvage Yard” is as defined in R.I. Gen. Laws § 42-14.2-1(b).

(D) "Department" means the Department of Business Regulation.
"Director" means the Director of the Department.

“License” means that license from the Department issued to a Person engaged in the operation of an Auto Wrecking and Salvage Yard business.

“Licensee” means a Person holding a License.

“Person” means any individual, partnership, corporation, limited liability company, sole proprietorship, or any other legal entity, however formed.

Section 4 License

(A) The application and licensing form shall contain sufficient data to fully disclose to the Department the scope of work and the business activities conducted at the location, reflect full ownership by all corporations and persons, indicate the names and addresses of all employees and provide other data on the business as required by the Department as in the public interest.

(1) No Person may engage in the business of operating an Auto Wrecking and Salvage Yard without first obtaining a License from the Department. The term of each License shall be for not more than three (3) years before a renewal application is required.

Section 5 Application For License

(A) Every Person seeking a License shall file a written application with the Director on a form prescribed by the Director which application shall include but is not limited to the following:

(1) The completed application form adopted by the Department.

(2) All new and renewal applications filed with the Department subsequent to the effective date of the Regulation shall be accompanied by the required fee, proof of a bond in the amount of ten thousand ($10,000), and other documents, if any, as required by the Director. Such bond shall be written by a surety company approved by the Director.

(3) All new and renewal applications shall be accompanied by a document from the city or town where the Auto Wrecking and/or Salvage Yard is to be operated verifying adherence and compliance with the town's or city's zoning requirements.

(4) All new and renewal applications shall be accompanied by a document from the city or town where the Auto Wrecking Yard and/or Salvage Yard is located evidencing proof of compliance with R.I. Gen. Laws § 5-21-1 et seq. as set forth in R.I. Gen. Laws § 42-14.2-8(A). If the city or town where the Auto Wrecking and/or Salvage Yard is located does not issue licenses under the provisions of R.I. Gen. Laws § 5-21-1 et seq., the Applicant must conform with the requirements of R.I. Gen. Laws § 42-14.2-8(B).
(5) All information as required in R.I. Gen. Laws § 42-14.2-1 et seq.

(1) All licensees seeking to renew a License must file a renewal application with the Department every three (3) years. The renewal application shall be made to the Department not less than thirty (30) days before the expiration of the License.

(C) Every application to the Department for renewal of an existing License or the issuance of a new License shall be accompanied by a fee of one hundred and eighty dollars ($180.00), payable to the General Treasurer, State of Rhode Island. If the application is denied, the fee shall be returned to the Applicant. The License fees shall be pro-rated for the first License term, consideration being given to the unexpired term of the existing license.

Section 6 Denial, Revocation or Suspension of License

(A) The Department may deny an application for a License or revoke, suspend, or deny renewal of a License for any of the reasons set forth in R.I. Gen. Laws § 42-14.2-9 and for the following:

(1) Failing to respond within ten (10) days to provide information requested by the Department as a result of a formal or an informal complaint to the Department which alleges a violation(s) of either the Act or the Regulation.

(2) Engaging in any conduct while engaged in the operation of an Auto Wrecking and Salvage Yard that demonstrates bad faith, dishonesty, untrustworthiness, or incompetency.

(3) Violating an order of the Department.

(4) if an employee or manager or owner of an Applicant or Licensee has engaged in any of the following activities so that the Applicant or Licensee is unfit to do business and/or it impacts the Applicant’s or Licensee’s financial status and/or it impacts the Applicant’s or Licensee’s business integrity:

   (a) said individual has been convicted of any criminal felony involving dishonesty, breach of trust, forgery, embezzlement, obtaining money under false pretenses, bribery, larceny, extortion, conspiracy to defraud, fraud, false dealing or any similar offense(s) or has had a License revoked or suspended or an application for a License denied or any other license issued by this State revoked or suspended or an application for such denied.

(5) Jeopardizing public health, safety, or welfare.

(6) Failing to supervise employees.
(B) The procedure for suspension, revocation, denial of a renewal, denial of an application, or emergency suspension of a License shall be pursuant to R.I. Gen. Laws § 42-35-1 et seq. and the Rules of Practice and Procedure in Administrative Hearings Before the Department of Business Regulation.

Section 7 Bond

The liability of the surety on the bond shall be limited to indemnify the claimant only for his actual damage or loss. Such bond shall not limit or impair any right or recovery otherwise available pursuant to law, nor shall the amount of the bond be relevant to determining the amount of damage, loss or other relief to which any claimant shall be entitled. The bond shall be accessible only after all other remedies have been exhausted.

Section 8 Records and Reports

(A) Every Licensee shall maintain an accurate and up-to-date records with respect to all vehicles and motor vehicles parts purchased and sold. Such records must be maintained and available on the premises for inspection. Such records shall include all items delineated in R.I. Gen. Laws § 42-14.2-14.

In addition, the Licensee shall maintain and make available for inspection the following with respect to all vehicles and motor vehicles parts: other information required for any vehicles purchased or sold or motor vehicle body or major component purchased or sold shall include the following:

a) date of acquisition;
b) name and residence of person from whom acquired;
c) vehicle identification number;
d) date of sale;
e) type of vehicle;
f) color;
g) type of title;
h) disposition;
i) date of disposition;
j) purchaser; and
k) purchaser's method of identification.

(B) Records for all motor vehicle parts purchased and disposed of in any way must be maintained and available on the premises for inspection purposes.

(C) The Licensee or his or her or its employee shall verify from the seller of a vehicle or parts from a vehicle his or her or its identity through an operator's license or social security card or other reasonable means of identification deemed by the Department to be reasonable under the circumstances, for example, a passport, military identification, or resident alien permit.
(D) Licensees who operate mobile crushers shall not crush any vehicles or motor vehicle parts on any premises which are not licensed. In addition to the records required in Section 8(A), Licensees who crush or allow the crushing of vehicles or motor vehicle parts on Licensed premises must maintain as part of its records the date the vehicle or motor vehicle part was crushed, by whom the crushing was done, and what was done with the crushed material.

(E) All records are to be preserved and maintained on the premises for a period of two (2) years, and shall be open to inspection by the Department during reasonable business hours.

Section 9 Place of Business

A Licensee’s business shall be housed in a building on the premises containing not less than four hundred (400) square feet of ground level floor space, with an office where at all times business records relating to and pertinent to his or her or its operation of an Auto Wrecking Yard or Auto Salvage Yard shall be maintained.

Section 10 Severability

If this Regulation or the application thereof to any Person or circumstance is held to be invalid, such invalidity shall not effect other provisions or application of this Regulation which can be given effect without the invalid provision and application, and to this end the provisions are declared to be severable.

Section 11 Effective Date

This Regulation shall become effective twenty (20) days from the date of filing with the Secretary of State’s Office.

EFFECTIVE DATE: February 17, 1981
REFILED: December 19, 2001
AMENDED: September 4, 2002