

41-1a-1005.5 Non-repairable vehicle -- Declaration by insurance company -- Surrender of title -- Nonrepairable certificate of title.

- (1)
 - (a)
 - (i) Except as provided in Subsection (1)(a)(iii) or (iv), if an insurance company declares a vehicle as a nonrepairable vehicle and takes possession of the vehicle for disposal, the insurance company shall, within 10 days from the receipt of the title with any lien release, surrender to the division the outstanding certificate of title, properly endorsed, or other evidence of ownership acceptable to the division.
 - (ii) The division shall then issue a nonrepairable certificate in the insurance company's name.
 - (iii) The division shall issue a nonrepairable certificate in an insurance company's name no sooner than 30 days from the settlement of the loss if the insurance company:
 - (A) declares a vehicle a nonrepairable vehicle;
 - (B) issues settlement payment to the registered owner of the vehicle;
 - (C) has contacted the owner of the vehicle at least two times requesting certificate of title or other evidence of ownership acceptable to the division and the owner has not responded to the requests; and
 - (D) has presented the division evidence of the settlement and evidence that the insurance company has complied with the requirements of this Subsection (1)(a)(iii) on a form prescribed by the division.
 - (iv) The division shall issue a nonrepairable certificate in an insurance company's name no sooner than 30 days from the receipt of an improperly endorsed certificate of title if the insurance company:
 - (A) declares a vehicle a nonrepairable vehicle;
 - (B) has contacted the owner of the vehicle at least two times requesting correction of the improperly endorsed certificate of title and the owner of the vehicle has not responded to the requests; and
 - (C) has presented the division evidence of the settlement, the improperly endorsed certificate of title, and evidence that the insurance company has complied with the requirements of this Subsection (1)(a)(iv) on a form prescribed by the division.
 - (v) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the division shall make rules establishing the requirements for an insurance company to prove that it has complied with the requirements of Subsection (1)(a)(iii) or (iv) to receive a nonrepairable certificate.
 - (b)
 - (i) If the owner of a nonrepairable vehicle retains possession of the vehicle, the insurance company shall, within 10 days from the settlement of the loss, notify the division of the retention on a form prescribed by the division.
 - (ii) The insurance company shall notify the owner of the vehicle of the owner's responsibility to comply with this section.
 - (iii) The owner shall, within 10 days from the settlement of the loss, surrender to the division the properly endorsed certificate of title or other evidence of ownership acceptable to the division.
 - (iv) The division shall then issue a nonrepairable certificate in the owner's name.
 - (c)
 - (i) When a nonrepairable vehicle is not the subject of an insurance settlement, a self-insurer or an owner who is uninsured shall, within 10 days of the self-insurer's or owner's

determination that a vehicle is non-repairable, surrender to the division the properly endorsed certificate of title or other evidence of ownership acceptable to the division.

- (ii) The division shall then issue a nonrepairable certificate in the owner's name.
- (d)
 - (i) If a dealer licensed under Chapter 3, Part 2, Licensing, takes possession of any nonrepairable vehicle for which there is not already issued a branded title or nonrepairable certificate from the division or another jurisdiction, the dealer shall, within 10 days, surrender to the division the certificate of title or other evidence of ownership acceptable to the division.
 - (ii) The division shall then issue a nonrepairable certificate in the applicant's name.
- (2) Any person, insurance company, or dealer licensed under Chapter 3, Part 2, Licensing, who fails to obtain a nonrepairable certificate as required in this section or who sells a nonrepairable vehicle without first obtaining a nonrepairable certificate from the division or a branded title or non-repairable vehicle certificate from another jurisdiction is guilty of a class B misdemeanor.
- (3) This section does not apply to a vehicle that has an undamaged, wholesale value of \$2,000 or less.
- (4) Upon sale or disposal of a nonrepairable vehicle, the seller shall deliver to the purchaser the properly endorsed nonrepairable certificate within 48 hours as required in Section 41-1a-1310.
- (5) This chapter does not apply to a motor vehicle that has been stolen or taken without the consent of the owner until the motor vehicle has been recovered, and then it applies only if the motor vehicle is a nonrepairable vehicle.
- (6) It is unlawful for a person to repair, reconstruct, or restore a nonrepairable vehicle.
- (7) A non-repairable vehicle may be sold to a crusher or as provided in Subsection 41-3-201(3).

Enacted by Chapter 390, 2012 General Session