

1 **SALVAGE VEHICLE AMENDMENTS**

2 2001 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: David L. Hogue**

5 **This act modifies the Motor Vehicle Code by prohibiting registration and unbranding of the**  
6 **title of certain salvage vehicles.**

7 This act affects sections of Utah Code Annotated 1953 as follows:

8 AMENDS:

9 **41-1a-1002**, as last amended by Chapter 184, Laws of Utah 1994

10 **41-1a-1004**, as renumbered and amended by Chapter 1 and last amended by Chapter 239,  
11 Laws of Utah 1992

12 **41-1a-1009**, as last amended by Chapter 217, Laws of Utah 1999

13 ENACTS:

14 **41-1a-1013**, Utah Code Annotated 1953

15 *Be it enacted by the Legislature of the state of Utah:*

16 Section 1. Section **41-1a-1002** is amended to read:

17 **41-1a-1002. Unbranded title -- Prerepair inspections -- Interim repair inspections**  
18 **-- Repair.**

19 (1) To obtain an unbranded title to a salvage vehicle:

20 (a) the vehicle must:

21 (i) be a motor vehicle;

22 (ii) (A) have an unbranded Utah title or a Utah salvage certificate issued to replace an  
23 unbranded Utah title at the time the motor vehicle is inspected under Subsection (1)(a)(iii); or

24 (B) have an unbranded title from another jurisdiction and the motor vehicle shall have  
25 been damaged in Utah as evidenced by an accident report;

26 (iii) be inspected by a certified vehicle inspector prior to any repairs on the motor vehicle  
27 following any major damage; and



- 28 (iv) have major damage in no more than one major component part;
- 29 (b) the major damage identified by a certified vehicle inspector under Subsection (1)(a)
- 30 must be repaired in accordance with standards established by the Motor Vehicle Enforcement
- 31 Division;
- 32 (c) any interim inspection required by a certified vehicle inspector must be completed in
- 33 accordance with the directions of the initial certified vehicle inspector and to the satisfaction of
- 34 the interim certified vehicle inspector; and
- 35 (d) the owner must apply to the Motor Vehicle Enforcement Division for authorization to
- 36 obtain an unbranded title under Section 41-1a-1003.
- 37 (2) A flood damaged motor vehicle does not qualify for an unbranded title.
- 38 (3) A salvage vehicle [~~that is seven years old or older at the time of application for~~
- 39 ~~unbranding~~] does not qualify for an unbranded title[-] if the vehicle is:
- 40 (a) seven years old or older at the time of application for unbranding based on model year;
- 41 or
- 42 (b) damaged by collision, flood, or other occurrence to the extent that the cost of repairing
- 43 the vehicle for safe operation exceeds its fair market value.
- 44 (4) The prerepair motor vehicle inspection required under Subsection (1) shall include
- 45 examination of the motor vehicle and its major component parts to determine:
- 46 (a) the extent and location of the major damage to the motor vehicle;
- 47 (b) that the identification numbers of the vehicle or its parts have not been removed,
- 48 falsified, altered, defaced, or destroyed; and
- 49 (c) there are no indications that the vehicle or any of its parts are stolen.
- 50 (5) If the certified vehicle inspector determines in an inspection under Subsection (1) that
- 51 the motor vehicle has major damage:
- 52 (a) in more than one major component part, the certified vehicle inspector shall notify the
- 53 Motor Vehicle Enforcement Division and the owner that the motor vehicle does not qualify for an
- 54 unbranded title; or
- 55 (b) requiring repair or replacement in one or no major component part he shall:
- 56 (i) record on the vehicle damage disclosure statement the:
- 57 (A) date of the inspection;
- 58 (B) description of the motor vehicle including its vehicle identification number, make,

59 model, and year of manufacture;

60 (C) owner of the motor vehicle and name of the lienholder, if any, shown on the salvage  
61 certificate; and

62 (D) major damage to the motor vehicle requiring repair or replacement;

63 (ii) indicate that the motor vehicle may qualify for an unbranded title if the major damage  
64 is repaired or the damaged part is replaced;

65 (iii) sign the vehicle damage disclosure statement and attest to the information's accuracy;

66 (iv) indicate whether an interim inspection of the motor vehicle damage repairs is required  
67 and which repairs require inspection prior to completion of repair work;

68 (v) give to the owner a copy of the vehicle damage disclosure statement and deliver or mail  
69 a copy of the statement to the lienholder, if any, shown on the salvage certificate; and

70 (vi) file the original vehicle damage disclosure statement with the Motor Vehicle  
71 Enforcement Division.

72 (6) (a) Upon receipt by the Motor Vehicle Enforcement Division of notification from a  
73 certified vehicle inspector that a motor vehicle has had a preresearch inspection, the Motor Vehicle  
74 Enforcement Division shall make a record of the inspection.

75 (b) Any subsequent preresearch inspections shall be disregarded by the Motor Vehicle  
76 Enforcement Division in evaluating the major damage to the motor vehicle and the repairs  
77 required.

78 (7) A person who repairs or replaces major damage identified by a certified vehicle  
79 inspector on a motor vehicle in accordance with Subsection (1) shall:

80 (a) record on the vehicle damage disclosure statement:

81 (i) a description of the repairs made to the motor vehicle including how they were made;  
82 and

83 (ii) his signature following the repair description with an attestation that the description  
84 is accurate;

85 (b) obtain the signature of the certified vehicle inspector who performs an interim  
86 inspection, attesting that the repairs identified for interim inspection were satisfactorily completed;

87 (c) file the original vehicle damage disclosure statement containing the repair information  
88 with the Motor Vehicle Enforcement Division; and

89 (d) give a copy of the vehicle damage disclosure statement to the owner.

90 Section 2. Section **41-1a-1004** is amended to read:

91 **41-1a-1004. Certificate of title - Salvage vehicles.**

92 (1) If the division is able to ascertain the fact, at the time application is made for initial  
93 registration or transfer of ownership of a salvage vehicle, the title shall be branded:

- 94 (a) rebuilt and restored to operation;
- 95 (b) in a flood and restored to operation; ~~[or]~~
- 96 (c) not restored to operation~~[-]; or~~
- 97 (d) may not be registered.

98 (2) Before the sale of a vehicle for which a salvage certificate or branded title has been  
99 issued, the seller shall provide the prospective purchaser with written notification that a salvage  
100 certificate or a branded title has been issued for the vehicle.

101 Section 3. Section **41-1a-1009** is amended to read:

102 **41-1a-1009. Junk permit for vehicles, vessels, and outboard motors -- Determination**  
103 **by commission -- Disposal of vehicles -- Fees.**

104 (1) (a) Upon application and approval, the division shall issue a junk permit for a vehicle,  
105 vessel, or outboard motor that is considered junk as provided under this section.

106 ~~[(+)] (b)~~ A vehicle, vessel, or outboard motor is ~~[abandoned and inoperable]~~ is considered  
107 junk when:

108 ~~[(+)] (i)~~ the vehicle, vessel, or outboard motor has been inspected by an authorized  
109 investigator or agent appointed by the commission; and

110 ~~[(+)] (ii)~~ the authorized investigator or agent has made a written determination that the  
111 vehicle, vessel, or outboard motor;

112 (A) cannot be registered as provided under Section 41-1a-1013; or

113 (B) cannot be rebuilt or reconstructed in a manner that allows its use as designed by the  
114 manufacturer.

115 (2) (a) Before issuing a ~~[written determination]~~ junk permit under Subsection (1), a signed  
116 statement is required from the purchaser of the vehicle, vessel, or outboard motor for salvage,  
117 identifying the vehicle, vessel, or outboard motor by identification number and certifying that the  
118 ~~[inoperable]~~ junk vehicle, vessel, or outboard motor will not be registered, rebuilt, reconstructed,  
119 or in any manner allowed to operate as designed by the manufacturer.

120 (b) The operator of the junk or salvage yard disposing of ~~[an inoperable]~~ a junk vehicle,

121 vessel, or outboard motor is required to keep copies of the junk permits, signed statements, and  
122 other written records required by the commission.

123 (3) Upon a determination that a vehicle, vessel, or outboard motor is [~~inoperable and~~  
124 ~~cannot be rebuilt or reconstructed~~] considered junk under this section, the vehicle, vessel, or  
125 outboard motor may be converted to scrap or otherwise disposed of without necessity of  
126 compliance with the requirements of Sections 41-1a-1010 and 41-1a-1011.

127 (4) If a junk permit is issued under this section, the vehicle, vessel, or outboard motor shall  
128 be destroyed and may not be rebuilt or reconstructed and may not be registered.

129 (5) The commission may collect a fee established in accordance with Section 63-38-3.2  
130 to cover the expenses of an inspection under Subsection (1).

131 Section 4. Section **41-1a-1013** is enacted to read:

132 **41-1a-1013. Salvage vehicles -- Damage exceeding limits -- Registration prohibited.**

133 A salvage vehicle that is damaged by collision, flood, or other occurrence, to the extent that  
134 the cost of repairing the vehicle for safe operation on a highway exceeds its fair market value, may  
135 not be registered for use on the highway.

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**Legislative Review Note**

**as of 2-9-01 3:51 PM**

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**