

28 upon reasonable notice and demand;

29 (e) a registration decal, license plate, or permit is knowingly displayed upon a vehicle other
30 than the one for which issued;

31 (f) the division determines that the owner has committed any offense under this chapter
32 involving the registration, certificate of title, registration card, license plate, registration decal, or
33 permit; or

34 (g) the division receives notification by the Department of Transportation that the owner
35 has committed any offence under Title 72, Chapter 9, Motor Carrier Safety Act.

36 (2) The division shall revoke the registration of a vehicle if the division receives
37 notification by the:

38 (a) Department of Public Safety that a person:

39 (i) has been convicted of operating a registered motor vehicle in violation of Section
40 41-12a-301 or 41-12a-303.2; or

41 (ii) is under an administrative action taken by the Department of Public Safety for
42 operating a registered motor vehicle in violation of Section 41-12a-301; or

43 (b) designated agent that the owner of a motor vehicle:

44 (i) has failed to provide satisfactory proof of owner's or operator's security to the
45 designated agent after the second notice provided under Section 41-12a-804; or

46 (ii) provided a false or fraudulent statement to the designated agent.

47 (3) The division may not suspend or revoke the registration of a vessel or outboard motor
48 unless authorized under Section 73-18-7.3.

49 (4) The division may not suspend or revoke the registration of an off-highway vehicle
50 unless authorized under Section 41-22-17.

51 (5) The division shall charge a registration reinstatement fee under Section 41-1a-1220,
52 if the registration is revoked under Subsection (1)(f).

53 (6) The division shall revoke the certificate of title of a vehicle, vessel, or outboard motor
54 that is considered junk if the division issues it a junk permit as provided in Section 41-1a-1009.

55 Section 2. Section **41-1a-1002** is amended to read:

56 **41-1a-1002. Unbranded title -- Prerepair inspections -- Interim repair inspections**
57 **-- Repair.**

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

59 (a) the vehicle must:
60 (i) be a motor vehicle;
61 (ii) (A) have an unbranded Utah title or a Utah salvage certificate issued to replace an
62 unbranded Utah title at the time the motor vehicle is inspected under Subsection (1)(a)(iii); or
63 (B) have an unbranded title from another jurisdiction and the motor vehicle shall have
64 been damaged in Utah as evidenced by an accident report;
65 (iii) be inspected by a certified vehicle inspector prior to any repairs on the motor vehicle
66 following any major damage; and

67 (iv) have major damage in no more than one major component part;

68 (b) the major damage identified by a certified vehicle inspector under Subsection (1)(a)
69 must be repaired in accordance with standards established by the Motor Vehicle Enforcement
70 Division;

71 (c) any interim inspection required by a certified vehicle inspector must be completed in
72 accordance with the directions of the initial certified vehicle inspector and to the satisfaction of
73 the interim certified vehicle inspector; and

74 (d) the owner must apply to the Motor Vehicle Enforcement Division for authorization to
75 obtain an unbranded title under Section 41-1a-1003.

76 (2) A flood damaged motor vehicle does not qualify for an unbranded title.

77 (3) A salvage vehicle [~~that is seven years old or older at the time of application for~~
78 ~~unbranding~~] does not qualify for an unbranded title[-] if the vehicle is:

79 (a) seven years old or older at the time of application for unbranding based on the vehicle's
80 model year; or

81 (b) damaged by collision, flood, or other occurrence to the extent that the cost of repairing
82 the vehicle for safe operation exceeds its fair market value.

83 (4) The prerepair motor vehicle inspection required under Subsection (1) shall include
84 examination of the motor vehicle and its major component parts to determine:

85 (a) the extent and location of the major damage to the motor vehicle;

86 (b) that the identification numbers of the vehicle or its parts have not been removed,
87 falsified, altered, defaced, or destroyed; and

88 (c) there are no indications that the vehicle or any of its parts are stolen.

89 (5) If the certified vehicle inspector determines in an inspection under Subsection (1) that

90 the motor vehicle has major damage:

91 (a) in more than one major component part, the certified vehicle inspector shall notify the
92 Motor Vehicle Enforcement Division and the owner that the motor vehicle does not qualify for an
93 unbranded title; or

94 (b) requiring repair or replacement in one or no major component part he shall:

95 (i) record on the vehicle damage disclosure statement the:

96 (A) date of the inspection;

97 (B) description of the motor vehicle including its vehicle identification number, make,
98 model, and year of manufacture;

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

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

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

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

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

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

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

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

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

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

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

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

121 and

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

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

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

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

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

130 **41-1a-1009. Junk permit for vehicles, vessels, and outboard motors -- Determination**
131 **by commission -- Disposal of vehicles -- Fees.**

132 (1) The division shall issue a junk permit for a vehicle, vessel, or outboard motor that
133 meets the conditions provided in Subsections (2) and (3).

134 ~~[(1)]~~ (2) A vehicle, vessel, or outboard motor [is abandoned and inoperable] shall be issued
135 a junk permit when:

136 (a) the vehicle, vessel, or outboard motor has been inspected by an authorized investigator
137 or agent appointed by the commission; and

138 (b) the authorized investigator or agent has made a written determination that the vehicle,
139 vessel, or outboard motor cannot be rebuilt or reconstructed in a manner that allows its use as
140 designed by the manufacturer.

141 (3) (a) A vehicle, vessel, or outboard motor shall be issued a junk permit if, based upon
142 information provided by the insurer, the division determines that it cannot be registered as
143 provided under Section 41-1a-1013.

144 (b) If a vehicle, vessel, or outboard motor is issued a junk permit under Subsection (3)(a),
145 the division shall revoke the certificate of title as provided under Section 41-1a-110.

146 ~~[(2)]~~ (4) (a) Before issuing a [written determination] junk permit under Subsection [(1)]
147 (2), a signed statement is required from the purchaser of the vehicle, vessel, or outboard motor for
148 salvage, identifying the vehicle, vessel, or outboard motor by identification number and certifying
149 that the [inoperable] junk vehicle, vessel, or outboard motor will not be registered, rebuilt,
150 reconstructed, or in any manner allowed to operate as designed by the manufacturer.

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

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

154 ~~[(3)] (5) Upon [a determination that a vehicle, vessel, or outboard motor is inoperable and~~
155 ~~cannot be rebuilt or reconstructed]~~ being issued a junk permit, the vehicle, vessel, or outboard
156 motor may be converted to scrap or otherwise disposed of without necessity of compliance with
157 the requirements of Sections 41-1a-1010 and 41-1a-1011.

158 (6) If a junk permit is issued under this section, the vehicle, vessel, or outboard motor shall
159 be destroyed, converted to scrap, or used for parts and may not be rebuilt or reconstructed and may
160 not be registered.

161 (7) The commission may collect a fee established in accordance with Section 63-38-3.2
162 to cover the expenses of issuing a junk permit under this section.

163 (8) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
164 division shall make rules to implement Subsection (3) by establishing:

- 165 (a) the information an insurer shall provide to the division; and
- 166 (b) procedures for an insurer to provide the required information.

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

168 **41-1a-1013. Salvage vehicles -- Damage exceeding limits -- Registration prohibited.**

169 (1) Except as provided in Subsections (2)(a) and (b), a salvage vehicle may not be
170 registered for use on a highway if the salvage vehicle is damaged by collision or flood to the extent
171 that the cost of repairing the vehicle for safe operation exceeds 100% of its fair market value.

172 (2) Subsection (1) does not apply to a salvage vehicle that is:

- 173 (a) seven years or older, based upon its model year; or
- 174 (b) retained by its owner as part of an insurance settlement.

175 Section 5. **Effective date.**

176 This act takes effect on October 1, 2002.

Legislative Review Note
as of 1-7-02 10:44 AM

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

Office of Legislative Research and General Counsel