

1 **SALVAGE VEHICLE AMENDMENTS**

2 2004 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Greg J. Curtis**

5

LONG TITLE

6 **General Description:**

7 This bill modifies the Motor Vehicles Code to amend provisions relating to salvage
8 vehicle buyer licenses.

9 **Highlighted Provisions:**

10 This bill:

11 ▶ provides that a salvage vehicle buyer license may be issued to a motor vehicle
12 dealer, dismantler, or body shop who is licensed in another country.

13 **Monies Appropriated in this Bill:**

14 None

15 **Other Special Clauses:**

16 None

17 **Utah Code Sections Affected:**

18 AMENDS:

19 **41-3-202**, as last amended by Chapter 157, Laws of Utah 2003

20

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

21 Section 1. Section **41-3-202** is amended to read:

22 **41-3-202. Licenses -- Classes and scope.**

23 (1) A new motor vehicle dealer's license permits the licensee to:

24 (a) offer for sale, sell, or exchange new motor vehicles if the licensee possesses a
25 franchise from the manufacturer of the motor vehicle offered for sale, sold, or exchanged by the
26
27



28 licensee;

29 (b) offer for sale, sell, or exchange used motor vehicles;

30 (c) operate as a body shop; and

31 (d) dismantle motor vehicles.

32 (2) A used motor vehicle dealer's license permits the licensee to:

33 (a) offer for sale, sell, or exchange used motor vehicles;

34 (b) operate as a body shop; and

35 (c) dismantle motor vehicles.

36 (3) A new motorcycle, off-highway vehicle, and small trailer dealer's license permits
37 the licensee to:

38 (a) offer for sale, sell, or exchange new motorcycles, off-highway vehicles, or small
39 trailers if the licensee possesses a franchise from the manufacturer of the motorcycle,

40 off-highway vehicle, or small trailer offered for sale, sold, or exchanged by the licensee;

41 (b) offer for sale, sell, or exchange used motorcycles, off-highway vehicles, or small
42 trailers; and

43 (c) dismantle motorcycles, off-highway vehicles, or small trailers.

44 (4) A used motorcycle, off-highway vehicle, and small trailer dealer's license permits
45 the licensee to:

46 (a) offer for sale, sell, or exchange used motorcycles, off-highway vehicles, and small
47 trailers; and

48 (b) dismantle motorcycles, off-highway vehicles, or small trailers.

49 (5) A salesperson's license permits the licensee to act as a motor vehicle salesperson
50 and is valid for employment with only one dealer at a time.

51 (6) (a) A manufacturer's license permits the licensee to construct or assemble motor
52 vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, at an established
53 place of business and to remanufacture motor vehicles.

54 (b) Under rules made by the administrator, the licensee may issue and install vehicle
55 identification numbers on manufactured motor vehicles.

56 (c) The licensee may franchise and appoint dealers to sell manufactured motor vehicles
57 by notifying the division of the franchise or appointment.

58 (7) A transporter's license permits the licensee to transport or deliver motor vehicles

59 subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, from a manufacturing,
60 assembling, or distributing point or from a dealer, to dealers, distributors, or sales agents of a
61 manufacturer or remanufacturer, to or from detail or repair shops, and to financial institutions
62 or places of storage from points of repossession.

63 (8) A dismantler's license permits the licensee to dismantle motor vehicles subject to
64 registration under Title 41, Chapter 1a, Motor Vehicle Act, for the purpose of reselling parts or
65 for salvage, or selling dismantled or salvage vehicles to a crusher or other dismantler.

66 (9) A distributor or factory branch and distributor branch's license permits the licensee
67 to sell and distribute new motor vehicles, parts, and accessories to their franchised dealers.

68 (10) A representative's license, for factory representatives or distributor representatives
69 permits the licensee to contact his authorized dealers for the purpose of making or promoting
70 the sale of motor vehicles, parts, and accessories.

71 (11) (a) (i) A remanufacturer's license permits the licensee to construct, reconstruct,
72 assemble, or reassemble motor vehicles subject to registration under Title 41, Chapter 1a,
73 Motor Vehicle Act, from used or new motor vehicles or parts.

74 (ii) Evidence of ownership of parts and motor vehicles used in remanufacture shall be
75 available to the division upon demand.

76 (b) Under rules made by the administrator, the licensee may issue and install vehicle
77 identification numbers on remanufactured motor vehicles.

78 (12) A crusher's license permits the licensee to engage in the business of crushing or
79 shredding motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act,
80 for the purpose of reducing the useable materials and metals to a more compact size for
81 recycling.

82 (13) A body shop's license permits the licensee to rebuild, restore, repair, or paint
83 primarily the body of motor vehicles damaged by collision or natural disaster, and to dismantle
84 motor vehicles.

85 (14) A special equipment dealer's license permits the licensee to:

86 (a) buy incomplete new motor vehicles with a gross vehicle weight of 12,000 or more
87 pounds from a new motor vehicle dealer and sell the new vehicle with the special equipment
88 installed without a franchise from the manufacturer;

89 (b) offer for sale, sell, or exchange used motor vehicles;

90 (c) operate as a body shop; and

91 (d) dismantle motor vehicles.

92 (15) (a) A salvage vehicle buyer license permits the licensee to bid on or purchase a
93 vehicle with a salvage certificate as defined in Section 41-1a-1001 at any motor vehicle
94 auction.

95 (b) A salvage vehicle buyer license may only be issued to a motor vehicle dealer,
96 dismantler, or body shop who qualifies under rules made by the division and is licensed in any
97 state or country as a motor vehicle dealer, dismantler, or body shop.

98 (c) The division may not issue more than two salvage vehicle buyer licenses to any one
99 dealer, dismantler, or body shop.

100 (d) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the
101 administrator shall make rules establishing qualifications of an applicant for a salvage vehicle
102 buyer license. The criteria shall include:

103 (i) business history;

104 (ii) salvage vehicle qualifications;

105 (iii) ability to properly handle and dispose of environmental hazardous materials
106 associated with salvage vehicles; and

107 (iv) record in demonstrating compliance with the provisions of this chapter.

Legislative Review Note
as of 2-10-04 12:35 PM

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

Office of Legislative Research and General Counsel

State Impact

Costs can be handled within existing budgets.

	<u>FY 2005</u> <u>Approp.</u>	<u>FY 2006</u> <u>Approp.</u>	<u>FY 2005</u> <u>Revenue</u>	<u>FY 2006</u> <u>Revenue</u>
General Fund	\$0	\$0	\$2,000	\$2,000
TOTAL	\$0	\$0	\$2,000	\$2,000

Individual and Business Impact

Qualifying dealers may pay \$200 for a license.

Office of the Legislative Fiscal Analyst