

SALVAGE VEHICLE TITLE AMENDMENTS

2009 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Todd E. Kiser

Senate Sponsor: D. Chris Buttars

LONG TITLE

General Description:

This bill modifies the Motor Vehicle Act by amending provisions relating to salvage vehicle title provisions.

Highlighted Provisions:

This bill:

- ▶ provides that a seller of a salvage vehicle is not required to provide written notification that a salvage certificate or branded title has been issued for the vehicle if the prospective purchaser is:
 - a licensed motor vehicle dealer whose primary business is auctioning salvage motor vehicles to licensed salvage vehicle buyers; or
 - an insurance company, if the sale of the vehicle is the result of a total loss settlement;
- ▶ provides that an advertisement for the sale of a vehicle for which a salvage certificate or branded title has been issued shall disclose that a salvage certificate or branded title has been issued for the vehicle; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None



28 **Utah Code Sections Affected:**

29 AMENDS:

30 **41-1a-1004**, as last amended by Laws of Utah 1992, Chapter 239 and renumbered and
31 amended by Laws of Utah 1992, Chapter 1

32

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

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

35 **41-1a-1004. Certificate of title -- Salvage vehicles.**

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

- 38 (a) rebuilt and restored to operation;
- 39 (b) in a flood and restored to operation; or
- 40 (c) not restored to operation.

41 (2) (a) [Before] Except as provided in Subsection (2)(b), before the sale of a vehicle for
42 which a salvage certificate or branded title has been issued, the seller shall provide the
43 prospective purchaser with written notification that a salvage certificate or a branded title has
44 been issued for the vehicle.

45 (b) The requirement to provide written notification under Subsection (2)(a) does not
46 apply if the prospective purchaser is:

- 47 (i) a licensed motor vehicle dealer whose primary business is auctioning salvage motor
48 vehicles to licensed salvage vehicle buyers; or
- 49 (ii) an insurance company, if the sale of the vehicle is the result of a total loss
50 settlement.

51 (3) (a) An advertisement for the sale of a vehicle for which a salvage certificate or
52 branded title has been issued shall disclose that a salvage certificate or branded title has been
53 issued for the vehicle.

54 (b) The advertisement disclosure under Subsection (3)(a) shall be displayed at least as
55 prominently as the description of the advertised vehicle is displayed.

Legislative Review Note
as of 1-7-09 10:55 AM

Office of Legislative Research and General Counsel

H.B. 113 - Salvage Vehicle Title Amendments

Fiscal Note

2009 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill may decrease the amount of time businesses spend dealing with the seller of a salvage motor vehicle. Local governments and individuals are unaffected.
