

HB0228S01 compared with HB0228

{Omitted text} shows text that was in HB0228 but was omitted in HB0228S01
inserted text shows text that was not in HB0228 but was inserted into HB0228S01

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Vehicle Sales Amendments
2026 GENERAL SESSION
STATE OF UTAH

Chief Sponsor: Jordan D. Teuscher

Senate Sponsor:

LONG TITLE

General Description:

This bill amends provisions related to motor vehicle title brands.

Highlighted Provisions:

This bill:

- defines terms, including terms for motor vehicle title brands;
- describes the circumstances under which a salvaged vehicle may receive a brand of rebuilt and repaired; {and}

- **requires the Motor Vehicle Division to check a national database before issuing a new Utah license plate; and**

- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

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19 AMENDS:

20 **41-1a-102** , as last amended by Laws of Utah 2025, Chapter 285

21 **41-1a-513 , as enacted by Laws of Utah 1992, Chapter 1 and last amended by Laws of Utah
1992, Chapter 218**

23 **41-1a-1004** , as last amended by Laws of Utah 2020, Chapter 267

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

26 Section 1. Section **41-1a-102** is amended to read:

27 **41-1a-102. Definitions.**

28 As used in this chapter:

29 (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.

30 (2) "Actual weight" means the actual unladen weight of a vehicle or combination of vehicles as
31 operated and certified to by a weighmaster.

32 (3) "All-terrain type I vehicle" means the same as that term is defined in Section 41-22-2.

33 (4) "All-terrain type II vehicle" means the same as that term is defined in Section 41-22-2.

34 (5) "All-terrain type III vehicle" means the same as that term is defined in Section 41-22-2.

35 (6) "Alternative fuel vehicle" means:

36 (a) an electric motor vehicle;

37 (b) a hybrid electric motor vehicle;

38 (c) a plug-in hybrid electric motor vehicle; or

39 (d) a motor vehicle powered exclusively by a fuel other than:

40 (i) motor fuel;

41 (ii) diesel fuel;

42 (iii) natural gas; or

43 (iv) propane.

44 (7) "Amateur radio operator" means a person licensed by the Federal Communications Commission to
45 engage in private and experimental two-way radio operation on the amateur band radio frequencies.

46 (8) "Autocycle" means the same as that term is defined in Section 53-3-102.

47 (9) "Automated driving system" means the same as that term is defined in Section 41-26-102.1.

48 (10) "Brand" means a label on a title certificate identifying a motor vehicle as:

49 (a) flood damaged:

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48 (b) fire damaged;

49 (c) hail damaged;

50 (d) {grey} gray market;

51 (e) odometer discrepancy;

52 (f) stolen/recovered; or

53 (g) rebuilt and restored.

54 [(10)] (11) "Branded title" means a title certificate that is labeled[-] with a brand;

55 [(a) rebuilt and restored to operation;]

56 [(b) flooded and restored to operation; or]

57 [(e) not restored to operation.]

58 [(11)] (12) "Camper" means a structure designed, used, and maintained primarily to be mounted on or affixed to a motor vehicle that contains a floor and is designed to provide a mobile dwelling, sleeping place, commercial space, or facilities for human habitation or for camping.

62 [(12)] (13) "Certificate of title" means a document issued by a jurisdiction to establish a record of ownership between an identified owner and the described vehicle, vessel, or outboard motor.

65 [(13)] (14) "Certified scale weigh ticket" means a weigh ticket that has been issued by a weighmaster.

67 [(14)] (15) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or maintained for the transportation of persons or property that operates:

69 (a) as a carrier for hire, compensation, or profit; or

70 (b) as a carrier to transport the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.

72 [(15)] (16) "Commission" means the State Tax Commission.

77 (17) "Compliant gray market" means a motor vehicle that was branded as gray market and has been altered to meet federal and state motor vehicle safety and emissions standards.

73 [(16)] (17){(18)} "Consumer [priee-index] Price Index" means the same as that term is defined in Section 59-13-102.

75 [(17)] (18){(19)} "Dealer" means a person engaged or licensed to engage in the business of buying, selling, or exchanging new or used vehicles, vessels, or outboard motors either outright or on conditional sale, bailment, lease, chattel mortgage, or otherwise or who has an established place of business for the sale, lease, trade, or display of vehicles, vessels, or outboard motors.

80 [(18)] (19){(20)} "Diesel fuel" means the same as that term is defined in Section 59-13-102.

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81 [({19})] (20){(21)} "Division" means the Motor Vehicle Division of the commission, created in Section
41-1a-106.

83 [({20})] (21){(22)} "Dynamic driving task" means the same as that term is defined in Section
41-26-102.1.

85 [({21})] (22){(23)} "Electric motor vehicle" means a motor vehicle that is powered solely by an electric
motor drawing current from a rechargeable energy storage system.

87 [({22})] (23){(24)} "Essential parts" means the integral and body parts of a vehicle of a type required to
be registered in this state, the removal, alteration, or substitution of which would tend to conceal
the identity of the vehicle or substantially alter the vehicle's appearance, model, type, or mode of
operation.

91 [({23})] (24){(25)} "Farm tractor" means a motor vehicle designed and used primarily as a farm
implement for drawing plows, mowing machines, and other implements of husbandry.

93 [({24})] (25){(26)}
(a) "Farm truck" means a truck used by the owner or operator of a farm solely for the owner's or
operator's own use in the transportation of:
95 (i) farm products, including livestock and its products, poultry and its products, and floricultural
and horticultural products;
97 (ii) farm supplies, including tile, fence, and any other thing or commodity used in agricultural,
floricultural, horticultural, livestock, and poultry production; and
99 (iii) livestock, poultry, and other animals and things used for breeding, feeding, or other purposes
connected with the operation of a farm.
101 (b) "Farm truck" does not include the operation of trucks by commercial processors of agricultural
products.

103 (26){(27)} "Fire damaged" means {that the} a motor vehicle {is} that was damaged by fire to a degree
that an insurance company {deems} deemed the motor vehicle {is} as unsafe or inoperable.

105 [({25})] (27){(28)} "Fleet" means:
106 (a) one or more commercial vehicles; or
107 (b) for purposes of Section 41-1a-215, one or more personal vehicles.

108 (28){(29)} "Flood damaged" means {that the} a motor vehicle that an insurance company has {been}
deemed unsafe or inoperable {by an insurance company} due to:
110 (a) immersion in a liquid, damaging any of the major electrical system components; or

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111 (b) contamination with toxic fluid.

112 [26] (29){(30)} "Foreign vehicle" means a vehicle of a type required to be registered, brought into this state from another state, territory, or country other than in the ordinary course of business by or through a manufacturer or dealer, and not registered in this state.

115 (30){(31)} {"Grey"} "Gray market" means a motor vehicle {manufactured outside of the United States and not intended by the manufacturer for sale in the United States and does not meet federal or state motor vehicle safety or emissions standards.} :

118 {(27)} manufactured outside of the United States;

123 (b) not intended by the manufacturer for sale in the United States; and

124 (c) that does not meet federal or state motor vehicle safety or emissions standards.

125 [(27)] (32) "Gross laden weight" means the actual weight of a vehicle or combination of vehicles, equipped for operation, to which shall be added the maximum load to be carried.

121 (32){(33)} "Hail damaged" means {that the} a motor vehicle {is} that was damaged by exposure to falling hail to a degree that an insurance company {deems} has deemed the motor vehicle {is} as unsafe or inoperable.

123 [28] (33){(34)} "Highway" or "street" means the entire width between property lines of every way or place of whatever nature when any part of it is open to the public, as a matter of right, for purposes of vehicular traffic.

126 [29] (34){(35)} "Hybrid electric motor vehicle" means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are both:

128 (a) an internal combustion engine or heat engine using consumable fuel; and

129 (b) a rechargeable energy storage system where energy for the storage system comes solely from sources onboard the vehicle.

131 [30] (35){(36)}

133 (a) "Identification number" means the identifying number assigned by the manufacturer or by the division for the purpose of identifying the vehicle, vessel, or outboard motor.

134 (b) "Identification number" includes a vehicle identification number, state assigned identification number, hull identification number, and motor serial number.

136 [31] (36){(37)} "Implement of husbandry" means a vehicle designed or adapted and used exclusively for an agricultural operation and only incidentally operated or moved upon the highways.

139 [32] (37){(38)}

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- (a) "In-state miles" means the total number of miles operated in this state during the preceding year by fleet power units.
- 141 (b) If a fleet is composed entirely of trailers or semitrailers, "in-state miles" means the total number of miles that those vehicles were towed on Utah highways during the preceding year.
- 144 [33] (38){39} "Interstate vehicle" means a commercial vehicle operated in more than one state, province, territory, or possession of the United States or foreign country.
- 146 [34] (39){40} "Jurisdiction" means a state, district, province, political subdivision, territory, or possession of the United States or any foreign country.
- 148 [35] (40){41} "Lienholder" means a person with a security interest in particular property.
- 149 [36] (41){42} "Manufactured home" means a transportable factory built housing unit constructed on or after June 15, 1976, according to the Federal Home Construction and Safety Standards Act of 1974 (HUD Code), in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or when erected on site, is 400 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems.
- 157 [37] (42){43} "Manufacturer" means a person engaged in the business of constructing, manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or outboard motors for the purpose of sale or trade.
- 160 [38] (43){44} "Military vehicle" means a vehicle of any size or weight that was manufactured for use by armed forces and that is maintained in a condition that represents the vehicle's military design and markings regardless of current ownership or use.
- 163 [39] (44){45} "Mobile home" means a transportable factory built housing unit built prior to June 15, 1976, in accordance with a state mobile home code which existed prior to the Federal Manufactured Housing and Safety Standards Act (HUD Code).
- 166 [40] (45){46} "Motor fuel" means the same as that term is defined in Section 59-13-102.
- 167 [41] (46){47}
 - (a) "Motor vehicle" means a self-propelled vehicle intended primarily for use and operation on the highways.
 - 169 (b) "Motor vehicle" includes a roadable aircraft and a street-legal all-terrain vehicle.
 - 170 (c) "Motor vehicle" does not include:

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- 171 (i) an off-highway vehicle; or
- 172 (ii) a motor assisted scooter as defined in Section 41-6a-102.
- 173 ~~[42]~~ ~~(47){(48)}~~ "Motorboat" means the same as that term is defined in Section 73-18c-102.
- 174 ~~[43]~~ ~~(48){(49)}~~ "Motorcycle" means:
 - 175 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground; or
 - 177 (b) an autocycle.
- 178 ~~[44]~~ ~~(49){(50)}~~ "Natural gas" means a fuel of which the primary constituent is methane.
- 179 ~~[45]~~ ~~(50){(51)}~~
 - 180 (a) "Nonresident" means a person who is not a resident of this state as defined by Section 41-1a-202, and who does not engage in intrastate business within this state and does not operate in that business any motor vehicle, trailer, or semitrailer within this state.
 - 183 (b) A person who engages in intrastate business within this state and operates in that business any motor vehicle, trailer, or semitrailer in this state or who, even though engaging in interstate commerce, maintains a vehicle in this state as the home station of that vehicle is considered a resident of this state, insofar as that vehicle is concerned in administering this chapter.
- 188 ~~[46]~~ ~~(51){(52)}~~ "Odometer" means a device for measuring and recording the actual distance a vehicle travels while in operation, but does not include any auxiliary odometer designed to be periodically reset.
- 191 ~~(52){(53)}~~ "Odometer discrepancy" means that a written odometer disclosure statement described in Section 41-1a-902 indicates that the motor vehicle's odometer does not match the actual amount of miles or kilometers driven by the motor vehicle.
- 194 ~~(47)~~ ~~(53){(54)}~~ "Off-highway implement of husbandry" means the same as that term is defined in Section 41-22-2.
- 196 ~~(48)~~ ~~(54){(55)}~~ "Off-highway vehicle" means the same as that term is defined in Section 41-22-2.
- 197 ~~(49)~~ ~~(55){(56)}~~
 - 198 (a) "Operate" means:
 - 199 (i) to navigate a vessel; or
 - 199 (ii) collectively, the activities performed in order to perform the entire dynamic driving task for a given motor vehicle by:
 - 201 (A) a human driver as defined in Section 41-26-102.1; or

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202 (B) an engaged automated driving system.

203 (b) "Operate" includes testing of an automated driving system.

204 [(50)] (56){(57)} "Original issue license plate" means a license plate that is of a format and type issued
by the state in the same year as the model year of a vehicle that is a model year 1973 or older.

207 [(51)] (57){(58)} "Outboard motor" means a detachable self-contained propulsion unit, excluding fuel
supply, used to propel a vessel.

209 [(52)] (58){(59)}

212 (a) "Owner" means a person, other than a lienholder, holding title to a vehicle, vessel, or outboard
motor whether or not the vehicle, vessel, or outboard motor is subject to a security interest.

218 (b) If a vehicle is the subject of an agreement for the conditional sale or installment sale or mortgage of
the vehicle with the right of purchase upon performance of the conditions stated in the agreement
and with an immediate right of possession vested in the conditional vendee or mortgagor, or if the
vehicle is the subject of a security agreement, then the conditional vendee, mortgagor, or debtor is
considered the owner for the purposes of this chapter.

220 (c) If a vehicle is the subject of an agreement to lease, the lessor is considered the owner until the lessee
exercises the lessee's option to purchase the vehicle.

221 [(53)] (59){(60)} "Park model recreational vehicle" means a unit that:

223 (a) is designed and marketed as temporary living quarters for recreational, camping, travel, or seasonal
use;

224 (b) is not permanently affixed to real property for use as a permanent dwelling;

225 (c) requires a special highway movement permit for transit; and

226 (d) is built on a single chassis mounted on wheels with a gross trailer area not exceeding 400 square feet
in the setup mode.

227 [(54)] (60){(61)} "Personal vehicle" means a vehicle that is not a commercial vehicle.

228 [(55)] (61){(62)} "Personalized license plate" means a license plate that has displayed on it a
combination of letters, numbers, or both as requested by the owner of the vehicle and assigned to the
vehicle by the division.

231 [(56)] (62){(63)}

233 (a) "Pickup truck" means a two-axle motor vehicle with motive power manufactured, remanufactured,
or materially altered to provide an open cargo area.

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(b) "Pickup truck" includes a motor vehicle with the open cargo area covered with a camper, camper shell, tarp, removable top, or similar structure.

235 [({57})] (63){(64)} "Plug-in hybrid electric motor vehicle" means a hybrid electric motor vehicle that has the capability to charge the battery or batteries used for vehicle propulsion from an off-vehicle electric source, such that the off-vehicle source cannot be connected to the vehicle while the vehicle is in motion.

239 [({58})] (64){(65)} "Pneumatic tire" means a tire in which compressed air is designed to support the load.

241 [({59})] (65){(66)} "Preceding year" means a period of 12 consecutive months fixed by the division that is within 16 months immediately preceding the commencement of the registration or license year in which proportional registration is sought. The division in fixing the period shall conform it to the terms, conditions, and requirements of any applicable agreement or arrangement for the proportional registration of vehicles.

246 [({60})] (66){(67)} "Public garage" means a building or other place where vehicles or vessels are kept and stored and where a charge is made for the storage and keeping of vehicles and vessels.

249 (67){(68)} "Rebuilt and restored" means a motor vehicle that qualifies for a brand of rebuilt and restored under Subsection 41-1a-1004(1)(b) or (c) Section 41-1a-1004.

251 [({61})] (68){(69)} "Receipt of surrender of ownership documents" means the receipt of surrender of ownership documents described in Section 41-1a-503.

253 [({62})] (69){(70)} "Reconstructed vehicle" means a vehicle of a type required to be registered in this state that is materially altered from its original construction by the removal, addition, or substitution of essential parts, new or used.

256 [({63})] (70){(71)} "Recreational vehicle" means the same as that term is defined in Section 13-14-102.

258 [({64})] (71){(72)} "Registration" means a document issued by a jurisdiction that allows operation of a vehicle or vessel on the highways or waters of this state for the time period for which the registration is valid and that is evidence of compliance with the registration requirements of the jurisdiction.

262 [({65})] (72){(73)} "Registration decal" means the decal issued by the division that is evidence of compliance with the division's registration requirements.

264 [({66})] (73){(74)}(a) "Registration year" means a 12 consecutive month period commencing with the completion of the applicable registration criteria.

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266 (b) For administration of a multistate agreement for proportional registration the division may prescribe
a different 12-month period.

268 [(67)] (74){(75)} "Repair or replacement" means the restoration of vehicles, vessels, or outboard motors
to a sound working condition by substituting any inoperative part of the vehicle, vessel, or outboard
motor, or by correcting the inoperative part.

271 [(68)] (75){(76)} "Replica vehicle" means:
(a) a street rod that meets the requirements under Subsection 41-21-1(3)(a)(i)(B); or
(b) a custom vehicle that meets the requirements under Subsection 41-6a-1507(1)(a)(i)(B).

275 [(69)] (76){(77)} "Restored-modified vehicle" means a motor vehicle that has been restored and
modified with modern parts and technology, including emission control technology and an on-board
diagnostic system.

278 [(70)] (77){(78)} "Road tractor" means a motor vehicle designed and used for drawing other vehicles
and constructed so it does not carry any load either independently or any part of the weight of a
vehicle or load that is drawn.

281 [(71)] (78){(79)} "Roadable aircraft" means the same as that term is defined in Section 72-10-102.

282 [(72)] (79){(80)} "Sailboat" means the same as that term is defined in Section 73-18-2.

283 [(73)] (80){(81)} "Security interest" means an interest that is reserved or created by a security
agreement to secure the payment or performance of an obligation and that is valid against third
parties.

286 [(74)] (81){(82)} "Semitrailer" means the same as the term "trailer."

287 [(75)] (82){(83)} "Special group license plate" means a type of license plate designed for a particular
group of people or a license plate authorized and issued by the division in accordance with Section
41-1a-418 or Part 16, Sponsored Special Group License Plates.

290 [(76)] (83){(84)}
(a) "Special interest vehicle" means a vehicle used for general transportation purposes and that is:
(i) 20 years or older from the current year; or
(ii) a make or model of motor vehicle recognized by the division director as having unique interest
or historic value.
(b) In making a determination under Subsection [(76)(a)] (83)(a), the division director shall give special
consideration to:
(i) a make of motor vehicle that is no longer manufactured;

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298 (ii) a make or model of motor vehicle produced in limited or token quantities;

299 (iii) a make or model of motor vehicle produced as an experimental vehicle or one designed exclusively
for educational purposes or museum display; or

301 (iv) a motor vehicle of any age or make that has not been substantially altered or modified from original
specifications of the manufacturer and because of its significance is being collected, preserved,
restored, maintained, or operated by a collector or hobbyist as a leisure pursuit.

305 [~~77~~] (84){(85)}

306 (a) "Special mobile equipment" means a vehicle:

307 (i) not designed or used primarily for the transportation of persons or property;

308 (ii) not designed to operate in traffic; and

308 (iii) only incidentally operated or moved over the highways.

309 (b) "Special mobile equipment" includes:

310 (i) farm tractors;

311 (ii) off-road motorized construction or maintenance equipment including backhoes, bulldozers,
compactors, graders, loaders, road rollers, tractors, and trenchers; and

313 (iii) ditch-digging apparatus.

314 (c) "Special mobile equipment" does not include a commercial vehicle as defined under Section
72-9-102.

316 [~~78~~] (85){(86)} "Specially constructed vehicle" means a vehicle of a type required to be registered in
this state, not originally constructed under a distinctive name, make, model, or type by a generally
recognized manufacturer of vehicles, and not materially altered from its original construction.

320 [~~79~~] (86){(87)}

321 (a) "Standard license plate" means a license plate for general issue described in Subsection
41-1a-402(1).

322 (b) "Standard license plate" includes a license plate for general issue that the division issues before
January 1, 2024.

324 [~~80~~] (87){(88)} "State impound yard" means a yard for the storage of a vehicle, vessel, or outboard
motor that meets the requirements of rules made by the commission as described in Subsection
41-1a-1101(7).

327 (88){(89)} "Stolen/recovered" means a motor vehicle that was reported stolen and subsequently
recovered, where the status or integrity of the motor vehicle is unknown.

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329 [({81})] (89){(90)} "Street-legal all-terrain vehicle" or "street-legal ATV" means the same as that term is defined in Section 41-6a-102.

331 [({82})] (90){(91)} "Symbol decal" means the decal that is designed to represent a special group and displayed on a special group license plate.

333 [({83})] (91){(92)} "Title" means the right to or ownership of a vehicle, vessel, or outboard motor.

334 [({84})] (92){(93)}

- (a) "Total fleet miles" means the total number of miles operated in all jurisdictions during the preceding year by power units.
- 336 (b) If fleets are composed entirely of trailers or semitrailers, "total fleet miles" means the number of miles that those vehicles were towed on the highways of all jurisdictions during the preceding year.

339 [({85})] (93){(94)} "Tow truck motor carrier" means the same as that term is defined in Section 72-9-102.

341 [({86})] (94){(95)} "Tow truck operator" means the same as that term is defined in Section 72-9-102.

342 [({87})] (95){(96)} "Trailer" means a vehicle:

- 343 (a) without motive power; and
- 344 (b) designed for:
- 345 (i) carrying persons or property; and
- 346 (ii) being drawn by a motor vehicle.

347 [({88})] (96){(97)} "Transferee" means a person to whom the ownership of property is conveyed by sale, gift, or any other means except by the creation of a security interest.

349 [({89})] (97){(98)} "Transferor" means a person who transfers the person's ownership in property by sale, gift, or any other means except by creation of a security interest.

351 [({90})] (98){(99)} "Travel trailer," "camping trailer," or "fifth wheel trailer" means a portable vehicle without motive power, designed as a temporary dwelling for travel, recreational, or vacation use that does not require a special highway movement permit when drawn by a self-propelled motor vehicle.

355 [({91})] (99){(100)} "Truck tractor" means a motor vehicle designed and used primarily for drawing other vehicles and not constructed to carry a load other than a part of the weight of the vehicle and load that is drawn.

358 [({92})] (100){(101)} "Vehicle" includes a motor vehicle, trailer, semitrailer, off-highway vehicle, camper, park model recreational vehicle, manufactured home, and mobile home.

360 [({93})] (101){(102)} "Vessel" means the same as that term is defined in Section 73-18-2.

361 [({94})] (102){(103)} "Vintage vehicle" means the same as that term is defined in Section 41-21-1.

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362 [95] (103){104} "Waters of this state" means the same as that term is defined in Section 73-18-2.
363 [96] (104){105} "Weighmaster" means a person, association of persons, or corporation permitted to weigh vehicles under this chapter.

373 Section 2. Section 41-1a-513 is amended to read:

374 **41-1a-513. Examination of registration records and indices of stolen and recovered vehicles, vessels, and outboard motors -- National title records.**

[—The division upon receiving application for any certificate of title shall first check the identification number shown in the application against the indices of registered vehicles, vessels, and outboard motors and against indices of stolen and recovered vehicles, vessels, and outboard motors.]

380 (1) As used in this section, "National Motor Vehicle Title Information System" or "NMVTIS" means the electronic vehicle record system described in 28 C.F.R. Part 25, Subpart B, operated by the American Association of Motor Vehicle Administrators.

383 (2) After receiving an application for a certificate of title, the division shall first check the vehicle identification number listed on the application against the indices of:

385 (a) registered vehicles, vessels, and outboard motors; and

386 (b) stolen and recovered vehicles, vessels, and outboard motors.

387 (3)

389 (a) After receiving an application for a new Utah certificate of title, the division shall check the vehicle identification number listed on the application against NMVTIS.

(b) After checking the vehicle identification number as described in Subsection (3)(a), the division shall follow the procedure for issuing a branded title described in Section 41-1a-1004 if a jurisdiction contributing to NMVTIS identifies the title as one of the following:

393 (i) a salvage brand;

394 (ii) a total loss; or

395 (iii) damaged.

396 (c) The division shall conduct the NMVTIS check described in Subsection (3)(a) if an applicant applies for a Utah certificate of title and the applicant has:

398 (i) no certificate of title for the vehicle; or

399 (ii) a certificate of title from another state.

400 Section 3. Section **41-1a-1004** is amended to read:

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401 **41-1a-1004. Certificate of title -- Salvage vehicles -- Buyer notification of salvage or total loss vehicle.**

368 (1)

372 (a) If the division is able to [ascertain the fact { } determine the actual brand}, at the time] determine the
373 actual brand when an application is made for initial registration or transfer of ownership of a salvage
374 vehicle, the [title shall be branded:] division shall label the title certificate with the applicable brand.

375 [(a) rebuilt and restored to operation;]
376 [(b) in a flood and restored to operation; or]
377 [(c) not restored to operation.]

378 (b) A motor vehicle that has, or qualifies for, a brand of fire damaged, flood damaged, or hail damaged
379 may receive a brand of rebuilt and restored if the vehicle is rebuilt or restored to a degree that the
380 motor vehicle may be safely operated on a highway.

381 (c) A motor vehicle that has, or qualifies for, a {grey-} gray market brand may receive a brand of
382 {rebuilt and restored-} compliant gray market if the motor vehicle is altered to meet federal and state
383 motor vehicle safety standards.

384 (d) A brand of rebuilt and restored will appear on a title certificate as "Rebuilt and Restored --,"
385 followed by the brand that the motor vehicle had, or qualified for, before receiving the rebuilt and
386 restored brand.

387 (2)

388 (a)

389 (i) Except as provided in Subsection (2)(b), before the sale of a vehicle for which a salvage
390 certificate or branded title has been knowingly issued or knowingly declared a total loss by an
391 insurance company, the seller shall provide the prospective purchaser with written notification
392 that a salvage certificate or a branded title has been issued for the vehicle.

393 (ii) If the vehicle is a salvage vehicle or if the vehicle has been declared a total loss by an insurance
394 company, the notification shall be as required in Section 41-1a-1005.3.

395 (b) The requirement to provide written notification under Subsection (2)(a) does not apply if:

396 (i) the prospective purchaser, motor vehicle auction, or seller is:

397 (A) a licensed motor vehicle dealer whose primary business is auctioning salvage motor vehicles to
398 licensed salvage vehicle buyers; or

399 (B) an insurance company, if the sale of the vehicle is the result of a total loss settlement; or

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399 (ii) the vehicle has been stolen, recovered, and declared a total loss by an insurance company but does not meet the definition of a salvage vehicle.

401 (3)

404 (a) 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.

404 (b)

407 (i) Except as provided in Subsection (3)(b)(ii), an advertisement for a vehicle declared a total loss by an insurance company shall disclose that the vehicle has been declared a total loss by an insurance company.

410 (ii) A vehicle that has been stolen, recovered, and declared a total loss by an insurance company but does not meet the definition of a salvage vehicle is exempted from the advertising requirement described in Subsection (3)(b)(i).

413 (iii) Subsections (3)(a), (3)(b)(i), and (3)(b)(ii) do not apply to a motor vehicle auction or a consigner to a motor vehicle auction if no disclosure is required under Section 41-1a-1005.3.

414 (c) The advertisement disclosure under Subsection (3)(a) or (b)(i) shall:

416 (i) be displayed at least as prominently as the description of the advertised vehicle is displayed; and

418 (ii) if a salvage certificate or branded title has been issued or the vehicle has been declared a total loss by an insurance company:

419 (A) use the words "salvage certificate" or "branded title" in the advertisement; or

455 (B) use the words "insurer declared total loss."

Section 4. **Effective date.**

Effective Date.

This bill takes effect on January 1, 2027.

1-26-26 9:43 AM