

Jordan D. Teuscher proposes the following substitute bill:

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 restored;
- requires the Motor Vehicle Division to check a national database before issuing a new Utah title; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

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

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

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

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

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

41-1a-102 . Definitions.

As used in this chapter:

- (1) "Actual miles" means the actual distance a vehicle has traveled while in operation.
- (2) "Actual weight" means the actual unladen weight of a vehicle or combination of vehicles as operated and certified to by a weighmaster.
- (3) "All-terrain type I vehicle" means the same as that term is defined in Section 41-22-2.
- (4) "All-terrain type II vehicle" means the same as that term is defined in Section 41-22-2.
- (5) "All-terrain type III vehicle" means the same as that term is defined in Section 41-22-2.
- (6) "Alternative fuel vehicle" means:
- (a) an electric motor vehicle;
 - (b) a hybrid electric motor vehicle;
 - (c) a plug-in hybrid electric motor vehicle; or
 - (d) a motor vehicle powered exclusively by a fuel other than:
 - (i) motor fuel;
 - (ii) diesel fuel;
 - (iii) natural gas; or
 - (iv) propane.
- (7) "Amateur radio operator" means a person licensed by the Federal Communications Commission to engage in private and experimental two-way radio operation on the amateur band radio frequencies.
- (8) "Autocycle" means the same as that term is defined in Section 53-3-102.
- (9) "Automated driving system" means the same as that term is defined in Section 41-26-102.1.
- (10) "Brand" means a label on a title certificate identifying a motor vehicle as:
- (a) flood damaged;
 - (b) fire damaged;
 - (c) hail damaged;
 - (d) gray market;
 - (e) odometer discrepancy;
 - (f) stolen/recovered; or
 - (g) rebuilt and restored.
- ~~[(10)]~~ (11) "Branded title" means a title certificate that is labeled~~[:]~~ with a brand.
- ~~[(a) rebuilt and restored to operation;]~~
 - ~~[(b) flooded and restored to operation; or]~~
 - ~~[(c) not restored to operation.]~~
- ~~[(11)]~~ (12) "Camper" means a structure designed, used, and maintained primarily to be

63 mounted on or affixed to a motor vehicle that contains a floor and is designed to provide
64 a mobile dwelling, sleeping place, commercial space, or facilities for human habitation
65 or for camping.

66 [(12)] (13) "Certificate of title" means a document issued by a jurisdiction to establish a
67 record of ownership between an identified owner and the described vehicle, vessel, or
68 outboard motor.

69 [(13)] (14) "Certified scale weigh ticket" means a weigh ticket that has been issued by a
70 weighmaster.

71 [(14)] (15) "Commercial vehicle" means a motor vehicle, trailer, or semitrailer used or
72 maintained for the transportation of persons or property that operates:

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

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

76 [(15)] (16) "Commission" means the State Tax Commission.

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

79 [(16)] (18) "Consumer [~~price index~~] Price Index" means the same as that term is defined in
80 Section 59-13-102.

81 [(17)] (19) "Dealer" means a person engaged or licensed to engage in the business of
82 buying, selling, or exchanging new or used vehicles, vessels, or outboard motors either
83 outright or on conditional sale, bailment, lease, chattel mortgage, or otherwise or who
84 has an established place of business for the sale, lease, trade, or display of vehicles,
85 vessels, or outboard motors.

86 [(18)] (20) "Diesel fuel" means the same as that term is defined in Section 59-13-102.

87 [(19)] (21) "Division" means the Motor Vehicle Division of the commission, created in
88 Section 41-1a-106.

89 [(20)] (22) "Dynamic driving task" means the same as that term is defined in Section
90 41-26-102.1.

91 [(21)] (23) "Electric motor vehicle" means a motor vehicle that is powered solely by an
92 electric motor drawing current from a rechargeable energy storage system.

93 [(22)] (24) "Essential parts" means the integral and body parts of a vehicle of a type required
94 to be registered in this state, the removal, alteration, or substitution of which would tend
95 to conceal the identity of the vehicle or substantially alter the vehicle's appearance,
96 model, type, or mode of operation.

97 ~~[(23)]~~ (25) "Farm tractor" means a motor vehicle designed and used primarily as a farm
98 implement for drawing plows, mowing machines, and other implements of husbandry.

99 ~~[(24)]~~ (26)(a) "Farm truck" means a truck used by the owner or operator of a farm solely
100 for the owner's or operator's own use in the transportation of:

101 (i) farm products, including livestock and its products, poultry and its products, and
102 floricultural and horticultural products;

103 (ii) farm supplies, including tile, fence, and any other thing or commodity used in
104 agricultural, floricultural, horticultural, livestock, and poultry production; and

105 (iii) livestock, poultry, and other animals and things used for breeding, feeding, or
106 other purposes connected with the operation of a farm.

107 (b) "Farm truck" does not include the operation of trucks by commercial processors of
108 agricultural products.

109 (27) "Fire damaged" means a motor vehicle that was damaged by fire to a degree that an
110 insurance company deemed the motor vehicle as unsafe or inoperable.

111 ~~[(25)]~~ (28) "Fleet" means:

112 (a) one or more commercial vehicles; or

113 (b) for purposes of Section 41-1a-215, one or more personal vehicles.

114 (29) "Flood damaged" means a motor vehicle that an insurance company has deemed
115 unsafe or inoperable due to:

116 (a) immersion in a liquid, damaging any of the major electrical system components; or

117 (b) contamination with toxic fluid.

118 ~~[(26)]~~ (30) "Foreign vehicle" means a vehicle of a type required to be registered, brought
119 into this state from another state, territory, or country other than in the ordinary course
120 of business by or through a manufacturer or dealer, and not registered in this state.

121 (31) "Gray market" means a motor vehicle:

122 (a) 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
126 vehicles, equipped for operation, to which shall be added the maximum load to be
127 carried.

128 (33) "Hail damaged" means a motor vehicle that was damaged by exposure to falling hail to
129 a degree that an insurance company has deemed the motor vehicle as unsafe or
130 inoperable.

131 ~~[(28)]~~ (34) "Highway" or "street" means the entire width between property lines of every
132 way or place of whatever nature when any part of it is open to the public, as a matter of
133 right, for purposes of vehicular traffic.

134 ~~[(29)]~~ (35) "Hybrid electric motor vehicle" means a motor vehicle that draws propulsion
135 energy from onboard sources of stored energy that are both:

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

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

139 ~~[(30)]~~ (36)(a) "Identification number" means the identifying number assigned by the
140 manufacturer or by the division for the purpose of identifying the vehicle, vessel, or
141 outboard motor.

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

144 ~~[(31)]~~ (37) "Implement of husbandry" means a vehicle designed or adapted and used
145 exclusively for an agricultural operation and only incidentally operated or moved upon
146 the highways.

147 ~~[(32)]~~ (38)(a) "In-state miles" means the total number of miles operated in this state
148 during the preceding year by fleet power units.

149 (b) If a fleet is composed entirely of trailers or semitrailers, "in-state miles" means the
150 total number of miles that those vehicles were towed on Utah highways during the
151 preceding year.

152 ~~[(33)]~~ (39) "Interstate vehicle" means a commercial vehicle operated in more than one state,
153 province, territory, or possession of the United States or foreign country.

154 ~~[(34)]~~ (40) "Jurisdiction" means a state, district, province, political subdivision, territory, or
155 possession of the United States or any foreign country.

156 ~~[(35)]~~ (41) "Lienholder" means a person with a security interest in particular property.

157 ~~[(36)]~~ (42) "Manufactured home" means a transportable factory built housing unit
158 constructed on or after June 15, 1976, according to the Federal Home Construction and
159 Safety Standards Act of 1974 (HUD Code), in one or more sections, which, in the
160 traveling mode, is eight body feet or more in width or 40 body feet or more in length, or
161 when erected on site, is 400 or more square feet, and which is built on a permanent
162 chassis and designed to be used as a dwelling with or without a permanent foundation
163 when connected to the required utilities, and includes the plumbing, heating,
164 air-conditioning, and electrical systems.

165 ~~[(37)]~~ (43) "Manufacturer" means a person engaged in the business of constructing,
166 manufacturing, assembling, producing, or importing new or unused vehicles, vessels, or
167 outboard motors for the purpose of sale or trade.

168 ~~[(38)]~~ (44) "Military vehicle" means a vehicle of any size or weight that was manufactured
169 for use by armed forces and that is maintained in a condition that represents the vehicle's
170 military design and markings regardless of current ownership or use.

171 ~~[(39)]~~ (45) "Mobile home" means a transportable factory built housing unit built prior to
172 June 15, 1976, in accordance with a state mobile home code which existed prior to the
173 Federal Manufactured Housing and Safety Standards Act (HUD Code).

174 ~~[(40)]~~ (46) "Motor fuel" means the same as that term is defined in Section 59-13-102.

175 ~~[(41)]~~ (47)(a) "Motor vehicle" means a self-propelled vehicle intended primarily for use
176 and operation on the highways.

177 (b) "Motor vehicle" includes a roadable aircraft and a street-legal all-terrain vehicle.

178 (c) "Motor vehicle" does not include:

179 (i) an off-highway vehicle; or

180 (ii) a motor assisted scooter as defined in Section 41-6a-102.

181 ~~[(42)]~~ (48) "Motorboat" means the same as that term is defined in Section 73-18c-102.

182 ~~[(43)]~~ (49) "Motorcycle" means:

183 (a) a motor vehicle having a saddle for the use of the rider and designed to travel on not
184 more than three wheels in contact with the ground; or

185 (b) an autocycle.

186 ~~[(44)]~~ (50) "Natural gas" means a fuel of which the primary constituent is methane.

187 ~~[(45)]~~ (51)(a) "Nonresident" means a person who is not a resident of this state as defined
188 by Section 41-1a-202, and who does not engage in intrastate business within this
189 state and does not operate in that business any motor vehicle, trailer, or semitrailer
190 within this state.

191 (b) A person who engages in intrastate business within this state and operates in that
192 business any motor vehicle, trailer, or semitrailer in this state or who, even though
193 engaging in interstate commerce, maintains a vehicle in this state as the home station
194 of that vehicle is considered a resident of this state, insofar as that vehicle is
195 concerned in administering this chapter.

196 ~~[(46)]~~ (52) "Odometer" means a device for measuring and recording the actual distance a
197 vehicle travels while in operation, but does not include any auxiliary odometer designed
198 to be periodically reset.

(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.

~~[(47)]~~ (54) "Off-highway implement of husbandry" means the same as that term is defined in Section 41-22-2.

~~[(48)]~~ (55) "Off-highway vehicle" means the same as that term is defined in Section 41-22-2.

~~[(49)]~~ (56)(a) "Operate" means:

(i) to navigate a vessel; or

(ii) collectively, the activities performed in order to perform the entire dynamic driving task for a given motor vehicle by:

(A) a human driver as defined in Section 41-26-102.1; or

(B) an engaged automated driving system.

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

~~[(50)]~~ (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.

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

~~[(52)]~~ (59)(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.

(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.

(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.

~~[(53)]~~ (60) "Park model recreational vehicle" means a unit that:

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

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

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

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

~~[(54)]~~ (61) "Personal vehicle" means a vehicle that is not a commercial vehicle.

~~[(55)]~~ (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.

~~[(56)]~~ (63)(a) "Pickup truck" means a two-axle motor vehicle with motive power manufactured, remanufactured, or materially altered to provide an open cargo area.

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

~~[(57)]~~ (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.

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

~~[(59)]~~ (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.

~~[(60)]~~ (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.

(68) "Rebuilt and restored" means a motor vehicle that qualifies for a brand of rebuilt and restored under Section 41-1a-1004.

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

~~[(62)]~~ (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.

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

~~[(64)]~~ (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.

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

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

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

~~[(67)]~~ (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.

~~[(68)]~~ (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).

~~[(69)]~~ (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.

~~[(70)]~~ (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.

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

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

~~[(73)]~~ (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.

~~[(74)]~~ (82) "Semitrailer" means the same as the term "trailer."

~~[(75)]~~ (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.

~~[(76)]~~ (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;

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

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

(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.

[~~(77)~~] (85)(a) "Special mobile equipment" means a vehicle:

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

(ii) not designed to operate in traffic; and

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

(b) "Special mobile equipment" includes:

(i) farm tractors;

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

(iii) ditch-digging apparatus.

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

[~~(78)~~] (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.

[~~(79)~~] (87)(a) "Standard license plate" means a license plate for general issue described in Subsection 41-1a-402(1).

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

[~~(80)~~] (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).

(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.

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

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

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

~~[(84)]~~ (93)(a) "Total fleet miles" means the total number of miles operated in all jurisdictions during the preceding year by power units.

(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.

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

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

~~[(87)]~~ (96) "Trailer" means a vehicle:

(a) without motive power; and

(b) designed for:

(i) carrying persons or property; and

(ii) being drawn by a motor vehicle.

~~[(88)]~~ (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.

~~[(89)]~~ (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.

~~[(90)]~~ (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.

~~[(91)]~~ (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.

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

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

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

~~[(95)]~~ (104) "Waters of this state" means the same as that term is defined in Section 73-18-2.

~~[(96)]~~ (105) "Weighmaster" means a person, association of persons, or corporation

permitted to weigh vehicles under this chapter.

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

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.~~]

(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.

(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:

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

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

(3)(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:

(i) a salvage brand;

(ii) a total loss; or

(iii) damaged.

(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:

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

(ii) a certificate of title from another state.

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

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

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

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

~~[(b) in a flood and restored to operation; or]~~

~~[(c) not restored to operation.]~~

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

(c) A motor vehicle that has, or qualifies for, a gray market brand may receive a brand of compliant gray market if the motor vehicle is altered to meet federal and state motor vehicle safety standards.

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

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

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

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

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

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

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

(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.

(3)(a) An advertisement for the sale of a vehicle for which a salvage certificate or

437 branded title has been issued shall disclose that a salvage certificate or branded title
438 has been issued for the vehicle.

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

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

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

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

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

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

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

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

455 **Section 4. Effective Date.**

456 This bill takes effect on January 1, 2027.