

**41-3-201 Licenses required -- Restitution -- Education.**

- (1) As used in this section, "new applicant" means a person who is applying for a license that the person has not been issued during the previous licensing year.
- (2) A person may not act as any of the following without having procured a license issued by the administrator:
  - (a) a dealer;
  - (b) salvage vehicle buyer;
  - (c) salesperson;
  - (d) manufacturer;
  - (e) transporter;
  - (f) dismantler;
  - (g) distributor;
  - (h) factory branch and representative;
  - (i) distributor branch and representative;
  - (j) crusher;
  - (k) remanufacturer; or
  - (l) body shop.
- (3)
  - (a) Except as provided in Subsection (3)(c), a person may not bid on or purchase a vehicle with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction unless the person is a licensed salvage vehicle buyer.
  - (b) Except as provided in Subsection (3)(c), a person may not offer for sale, sell, or exchange a vehicle with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction except to a licensed salvage vehicle buyer.
  - (c) A person may offer for sale, sell, or exchange a vehicle with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction:
    - (i) to an out-of-state or out-of-country purchaser not licensed under this section, but that is authorized to do business in the domestic or foreign jurisdiction in which the person is domiciled or registered to do business;
    - (ii) subject to the restrictions in Subsection (3)(d), to an in-state purchaser not licensed under this section that:
      - (A) has a valid business license in Utah; and
      - (B) has a Utah sales tax license; and
    - (iii) to a crusher.
  - (d)
    - (i) An operator of a motor vehicle auction shall verify that an in-state purchaser not licensed under this section has the licenses required in Subsection (3)(c)(ii).
    - (ii) An operator of a motor vehicle auction may only offer for sale, sell, or exchange five vehicles with a salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction in any 12 month period to an in-state purchaser that does not have a salvage vehicle buyer license issued in accordance with Subsection 41-3-202(15).
    - (iii) The five vehicle limitation under this Subsection (3)(d) applies to each Utah sales tax license and not to each person with the authority to use a sales tax license.
    - (iv) An operator of a motor vehicle auction may not sell a vehicle with a nonrepairable certificate as defined in Section 41-1a-1001 to a purchaser otherwise allowed to purchase a vehicle under Subsection (3)(c)(ii).
  - (e) For a vehicle with a salvage certificate purchased under Subsection (3)(c)(ii), an operator of a motor vehicle auction shall:



- (5)
  - (a) If applicable, an operator of a motor vehicle auction shall comply with the reporting requirements of the National Motor Vehicle Title Information System overseen by the United States Department of Justice if the person sells a vehicle with a salvage certificate to an in-state purchaser under Subsection (3)(c)(ii).
  - (b) The Motor Vehicle Division shall include a link to the National Motor Vehicle Title Information System on its website.
- (6)
  - (a) An operator of a motor vehicle auction that sells a salvage vehicle to a person that is an out-of-country buyer shall:
    - (i) stamp on the face of the title so as not to obscure the name, date, or mileage statement the words "FOR EXPORT ONLY" in all capital, black letters; and
    - (ii) stamp in each unused reassignment space on the back of the title the words "FOR EXPORT ONLY."
  - (b) The words "FOR EXPORT ONLY" shall be:
    - (i) at least two inches wide; and
    - (ii) clearly legible.
- (7) A supplemental license shall be secured by a dealer, manufacturer, remanufacturer, transporter, dismantler, crusher, or body shop for each additional place of business maintained by the licensee.
- (8)
  - (a) A person who has been convicted of any law relating to motor vehicle commerce or motor vehicle fraud may not be issued a license or purchase a vehicle with a salvage or nonrepairable certificate unless full restitution regarding those convictions has been made.
  - (b) An operator of a motor vehicle auction, a dealer, or a consignor may not sell a vehicle with a nonrepairable or salvage certificate to a buyer described in Subsection (8)(a) if the division has informed the operator of the motor vehicle auction, the dealer, or the consignor in writing that the buyer is prohibited from purchasing a vehicle with a nonrepairable or salvage certificate under Subsection (8)(a).
- (9)
  - (a) The division may not issue a license to a new applicant for a new or used motor vehicle dealer license, a new or used motorcycle dealer license, or a small trailer dealer license unless the new applicant completes an eight-hour orientation class approved by the division that includes education on motor vehicle laws and rules.
  - (b) The approved costs of the orientation class shall be paid by the new applicant.
  - (c) The class shall be completed by the new applicant and the applicant's partners, corporate officers, bond indemnitors, and managers.
  - (d)
    - (i) The division shall approve:
      - (A) providers of the orientation class; and
      - (B) costs of the orientation class.
    - (ii) A provider of an orientation class shall submit the orientation class curriculum to the division for approval prior to teaching the orientation class.
    - (iii) A provider of an orientation class shall include in the orientation materials:
      - (A) ethics training;
      - (B) motor vehicle title and registration processes;
      - (C) provisions of Title 13, Chapter 5, Unfair Practices Act, relating to motor vehicles;
      - (D) Department of Insurance requirements relating to motor vehicles;

- (E) Department of Public Safety requirements relating to motor vehicles;
  - (F) federal requirements related to motor vehicles as determined by the division; and
  - (G) any required disclosure compliance forms as determined by the division.
- (10) A person or purchaser described in Subsection (3)(c)(ii):
- (a) may not purchase more than five salvage vehicles with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 in any 12-month period;
  - (b) may not, without first complying with Section 41-1a-705, offer for sale, sell, or exchange more than two vehicles with a salvage certificate as defined in Section 41-1a-1001 in any 12-month period to a person not licensed under this section; and
  - (c) may not, without first complying with Section 41-1a-705, offer for sale, sell, or exchange a vehicle with a nonrepairable certificate as defined in Section 41-1a-1001 to a person not licensed under this section.
- (11) An operator of a motor vehicle auction, a dealer, or a consignor may not sell a vehicle with a nonrepairable or salvage certificate to a buyer described in Subsection (10)(a) if the division has informed the operator of the motor vehicle auction, the dealer, or the consignor in writing that the buyer is prohibited from purchasing a vehicle with a nonrepairable or salvage certificate under Subsection (10)(a).

Amended by Chapter 463, 2013 General Session