1	MOTOR VEHICLE - TITLE REQUIREMENTS
2	2003 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: Gregory S. Bell
5	This act modifies the Motor Vehicles Code by amending transfer of vehicle provisions.
6	This act prohibits a certificate of title from being endorsed and assigned to a new owner
7	for more than one transfer. This act eliminates a provision that allowed for the transfer
8	of interest in a vehicle to a third party. This act prohibits a person who is not the owner
9	or lienholder from selling or offering for sale a vehicle unless the person is a dealer or is
10	otherwise acting as required by law. This act provides that a violation is a class B
11	misdemeanor. This act takes effect on January 1, 2004.
12	This act affects sections of Utah Code Annotated 1953 as follows:
13	AMENDS:
14	41-1a-702, as last amended by Chapter 221, Laws of Utah 1993
15	41-1a-705, as enacted by Chapter 1 and last amended by Chapter 218, Laws of Utah
16	1992
17	Be it enacted by the Legislature of the state of Utah:
18	Section 1. Section <b>41-1a-702</b> is amended to read:
19	41-1a-702. Endorsement of assignment and warranty of title Co-owners.
20	(1) (a) To transfer a vehicle, vessel, or outboard motor the owner shall endorse the
21	certificate of title issued for the vehicle, vessel, or outboard motor in the space for assignment
22	and warranty of title.
23	(b) The endorsement and assignment shall include a statement of all liens or
24	encumbrances on the vehicle, vessel, or outboard motor.
25	(c) Upon the endorsement and assignment of a certificate of title, the provisions of
26	Subsections 41-1a-705(3) and (4) apply and the same certificate of title may not be reendorsed
27	and reassigned to a new owner.



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28 (2) (a) If a title certificate reflects the names of two or more people as co-owners in the alternative by use of the word "or" or "and/or," each co-owner is considered to have granted the 29 30 other co-owners the absolute right to endorse and deliver title and to dispose of the vehicle, 31 vessel, or outboard motor. 32 (b) If the title certificate reflects the names of two or more people as co-owners in the 33 conjunctive by use of the word "and," or the title does not reflect any alternative or conjunctive 34 word, the endorsement of each co-owner is required to transfer title to the vehicle, vessel, or 35 outboard motor. 36 (3) The owner shall deliver the certificate of title containing the odometer disclosure 37 statement required under Section 41-1a-902 and the certificate of registration to the purchaser 38 or transferee at the time of, or within 48 hours after delivering the vehicle, vessel, or outboard 39 motor, as applicable, except as provided for under Sections 41-3-301, 41-1a-519, and 40 41-1a-709. 41 Section 2. Section 41-1a-705 is amended to read: 42 41-1a-705. New owner shall title. 43 (1) A person may not sell or offer for sale any vehicle unless the person is: (a) a licensed dealer under the provisions of this chapter; 44 45 (b) the lienholder or owner as evidenced by the person's name being printed by the 46 division on the certificate of title of the vehicle; or (c) a person who has repossessed the vehicle or a holder of a statutory lien on the 47 48 vehicle who is selling the vehicle through a licensed dealer auction. 49 (2) Subsection (1) does not apply to an executor, administrator, sheriff, or other person who sells a vehicle under the powers and duties granted or imposed by law. 50 51

- [(1)] (3) The new owner of a transferred vehicle, vessel, or outboard motor [may either] shall obtain a [new registration and] certificate of title for the vehicle, vessel, or
- outboard motor transferred to [him or transfer his title or interest in that vehicle, vessel, or outboard motor to a third party] the new owner.

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[(2)] (4) A [transferee may] new owner shall title a vehicle, vessel, or outboard motor by completing an application and presenting to the division a properly endorsed certificate of title, duplicate certificate of title, or other document of authority along with any additional documents the division may require to transfer the title.

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59	(5) A person who violates the provisions of Subsection (1) is guilty of a class B
60	misdemeanor.
61	(6) A person who violates any of the provisions of this section shall pay all fees and
62	taxes required under this chapter that resulted from the violation.
63	Section 3. Effective date.
64	This act takes effect on January 1, 2004.

## Legislative Review Note as of 2-14-03 3:02 PM

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

Office of Legislative Research and General Counsel

Fiscal Note Bill Number SB0217	Motor Vehicle - Title Requirements	21-Feb-03 10:13 AM
Bill Number SB0217		10:13 AN
State Impact		
Costs can be handled with	nin existing budgets.	
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Individual and Business	Impact	

Office of the Legislative Fiscal Analyst