

1 **DEALERSHIP LICENSING AMENDMENTS**

2 2019 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Don L. Ipson**

5 House Sponsor: _____

6

LONG TITLE

7 **General Description:**

8 This bill repeals provisions of the Motor Vehicle Act and amends provisions of Motor
9 Vehicle Business Regulation.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ defines terms;
- 13 ▶ amends licensing requirements for a transporter;
- 14 ▶ amends conditions under which a dealer may not use a dealer plate;
- 15 ▶ amends provisions related to a permit to use a dealer plate;
- 16 ▶ amends provisions regarding the issuance of a special plate;
- 17 ▶ amends provisions regarding reporting a special plate lost or stolen;
- 18 ▶ makes 10 or more violations of Section 41-3-301 a class A misdemeanor under
19 certain circumstances;
- 20 ▶ repeals provisions regarding unbranded titles; and
- 21 ▶ makes technical and conforming changes.

22 **Money Appropriated in this Bill:**

23 None

24 **Other Special Clauses:**

25 **⚡→ [None] This bill provides a special effective date. ←⚡**

26 **Utah Code Sections Affected:**

S.B. 82



493 prescribed by the division.

494 (3) If approved and issued, the permit shall be:

495 (a) carried in the [~~motor~~] commercial vehicle for which [~~it is issued~~] the division
496 issued the permit during the demonstration trip; and

497 (b) [~~shall be~~] returned to the division properly completed and signed within 10 days
498 after [~~its expiration date~~] the day on which the permit expires.

499 Section 8. Section **41-3-503** is amended to read:

500 **41-3-503. Special plates -- Issuance.**

501 (1) Subject to the provisions of Subsections (3) ~~§~~→ [f] ~~←§~~ , (4), and (5) ~~§~~→ [~~through (6)~~]
501a ~~←§~~ , the division

502 may issue special plates under Section **41-3-501** as necessary to conduct the business of the
503 dealer, dismantler, manufacturer, remanufacturer, or transporter applying for the plates.

504 (2) Each plate issued shall contain a number or symbol distinguishing it from every
505 other plate.

506 (3) Except as provided under Subsection (4), the division may issue [~~two~~] five special
507 dealer plates to each dealer licensed under this chapter plus one additional special dealer plate
508 for every 25 ~~§~~→ [~~or increment of 25~~] ~~←§~~ motor vehicles [~~sold by~~] the dealer sells each year.

509 (4) A dealer licensed under this chapter who does not sell at least three new or used
510 motor vehicles in any 12-month period may not be issued or have renewed any special dealer
511 plates.

512 (5) (a) (i) The division shall determine, at least annually, the number of special dealer
513 plates to be issued or renewed to each dealer [~~prior to~~] before issuing or renewing any special
514 dealer plates.

515 (ii) In determining the number of special plates to be issued to a dealer, the division
516 shall use the past motor vehicle sales history of the dealer.

517 (b) If no sales history is available, the division may use generally accepted motor
518 vehicle sales projections based on:

519 [~~(a)~~] (i) written forecasts submitted by the dealer to motor vehicle manufacturers,
520 financial institutions, or bonding and insurance companies;

521 [~~(b)~~] (ii) the dealer's inventory of motor vehicles available for sale; or

522 [~~(c)~~] (iii) written verification of credit extended to the dealer by financial institutions
523 for financing the dealer's inventory of motor vehicles available for sale.

524 ~~§~~ → [(6) ~~The division may issue as many as five special plates to a transporter licensed under~~
 525 ~~this chapter.~~

526 ——— [] ← § (6) ~~§~~ → [(7)] ← § (a) The division may recall, redesign, and reissue special plates
 526a under this

527 part, as needed to administer the provisions of this title.

528 (b) All special plates shall be designed in conformity with Sections [41-1a-401](#),
 529 [41-1a-402](#), and [41-1a-403](#).

530 Section 9. Section **41-3-507** is amended to read:

531 **41-3-507. Special plates -- Record to be kept by users -- Reporting lost or stolen**
 532 **plates.**

533 (1) Each dealer, dismantler, manufacturer, remanufacturer, and transporter shall keep a
 534 written record of each special plate issued to [it] the licensee.

535 (2) The record shall contain the name and address of any person to whom the plate has
 536 been assigned to be used.

537 (3) The record shall:

538 (a) account at all times for every special plate issued to the licensee[;]; and

539 (b) ~~shall~~ be open to inspection by any peace officer or any officer or employee of the
 540 division.

541 ~~[(4) Lost or stolen special plates shall be reported immediately to the division.]~~

542 (4) (a) (i) A licensee shall report immediately the licensee's lost or stolen special plate
 543 to the division.

544 (ii) If a dealer does not report a lost or stolen special plate to the division in accordance
 545 with Subsection (4)(a)(i), the division shall add any replacement special plate to the total
 546 special plates the division issues the dealer under Section [41-3-503](#).

547 (b) A licensee may replace a lost or stolen special plate only after:

548 (i) the special plate has expired; or

549 (ii) (A) the licensee provides a police report to the division; and

550 (B) the plate is listed as stolen in the National Crime Information Center.

551 Section 10. Section **41-3-701** is amended to read:

552 **41-3-701. Violations as misdemeanors.**

553 (1) Except as otherwise provided in this chapter, any person who violates this chapter
 554 is guilty of a class B misdemeanor.

617 the third and subsequent offenses.

618 (b) When determining under this section if an offense is a second or subsequent
619 offense, only prior offenses committed within the 12 months before the commission of the
620 current offense may be considered.

621 ~~[(3) The following are civil violations in addition to criminal violations under Section~~
622 ~~41-1a-1008:]~~

623 ~~[(a) (3) [knowingly] Knowingly selling a salvage vehicle, as defined in Section~~
624 ~~41-1a-1001, without disclosing that the salvage vehicle has been repaired or rebuilt[;] is a civil~~
625 ~~violation in addition to a criminal violation under Section 41-1a-1008.~~

626 ~~[(b) knowingly making a false statement on a vehicle damage disclosure statement, as~~
627 ~~defined in Section 41-1a-1001; or]~~

628 ~~[(c) fraudulently certifying that a damaged motor vehicle is entitled to an unbranded~~
629 ~~title, as defined in Section 41-1a-1001, when it is not.]~~

630 (4) The civil penalty for a violation under Subsection (3) is:

631 (a) not less than \$1,000, or treble the actual damages caused by the person, whichever
632 is greater; and

633 (b) reasonable attorney fees and costs of the action.

634 (5) A civil action may be maintained by a purchaser or by the administrator.

635 Section 12. **Repealer.**

636 This bill repeals:

637 Section 41-1a-1002, Unbranded title -- Prerepair inspections -- Interim repair
638 inspections -- Repair.

639 Section 41-1a-1003, Unbranded certificate of title -- Application.

640 Section 41-1a-1007, Fees.

641 Section 41-3-409.5, Unbranded certificate of title -- Application requirements --
642 Recording requirements -- Recurrence of nonconformities.

642a **§→ Section 13. Effective date.**

642b **This bill takes effect on October 1, 2019. ←§**