

Senator Curtis S. Bramble proposes the following substitute bill:

VEHICLE REPAIR AND NOTIFICATION AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: James A. Dunnigan

LONG TITLE

General Description:

This bill amends provisions related to notification requirements regarding salvage vehicles and vehicle repair requirements.

Highlighted Provisions:

This bill:

- ▶ amends language required in a contract for sale or lease of a salvage or total loss vehicle regarding possible impacts of a salvage title;
- ▶ amends provisions related to title disclosures of vehicles declared a total loss due to theft;
- ▶ requires certain repair facilities that repair vehicles equipped with advanced driver assistance systems to:
 - inform the customer regarding the recalibration requirements for the advanced driver assistance system and whether the proper recalibration will be performed;
 - if the recalibration of the advanced driver assistance system will be performed, meet or exceed the original manufacturer's specifications; and
 - if the recalibration was not completed successfully, inform the customer that the vehicle should be taken to the manufacturer's certified repair shop or other repair shop capable of providing the proper recalibration and repair;



amends provisions related to disclosure of insurance coverage related to automotive glass repair and recalibration; and makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

41-1a-1004, as last amended by Laws of Utah 2013, Chapter 463

41-1a-1005.3, as enacted by Laws of Utah 2012, Chapter 390

ENACTS:

41-6a-1645, Utah Code Annotated 1953

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

Section 1. 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) If the division is able to ascertain the fact, at the time application is made for initial registration or transfer of ownership of a salvage vehicle, the title shall be branded:

- (a) rebuilt and restored to operation;
- (b) in a flood and restored to operation; or
- (c) not restored to operation.

(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:

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

~~[(ii)]~~ (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 branded title has been issued shall disclose that a salvage certificate or branded title has been issued for the vehicle.

(b) (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.

(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).

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

~~[(b)]~~ (c) The advertisement disclosure under Subsection (3)(a) or (b)(i) shall:

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

~~[(ii) use the words "salvage certificate" or "branded title" in the advertisement.]~~

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

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

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

Section 2. Section **41-1a-1005.3** is amended to read:

41-1a-1005.3. Resale of salvage and total loss vehicles.

(1) A motor vehicle may not be offered, auctioned, sold, leased, transferred, or exchanged by an owner, that is not a manufacturer, dealer, motor vehicle auction, or consignor

to a motor vehicle auction with the knowledge that it is a salvage vehicle or a total loss vehicle without prior written disclosure being given to any prospective purchaser.

(2) For a disclosure required by Subsection (1), the following disclosure language shall be contained in each contract for sale or lease of a salvage vehicle to a purchaser or shall be contained in a form affixed to a contract, lease, bill of sale, or any other document that transfers title:

"THIS DISCLOSURE STATEMENT MUST BE GIVEN BY THE SELLER TO THE BUYER EVERY TIME THIS VEHICLE IS KNOWINGLY RESOLD WITH A SALVAGE CERTIFICATE OR TOTAL LOSS HISTORY

DISCLOSURE STATEMENT

Vehicle Identification Number (VIN)

Year: Make: Model:

SALVAGE OR TOTAL LOSS VEHICLE--NOT FOR RESALE WITHOUT DISCLOSURE

WARNING: THIS VEHICLE HAS A SALVAGE OR TOTAL LOSS HISTORY WHICH MAY MATERIALLY AFFECT THE VALUE, SAFETY AND/OR CONDITION OF THE VEHICLE. BECAUSE OF ITS CONDITION THE MANUFACTURER'S WARRANTY OR SERVICE CONTRACT ON THIS VEHICLE MAY BE AFFECTED. THIS [SALVAGE] VEHICLE MAY NOT BE SAFE FOR OPERATION UNLESS PROPERLY REPAIRED. SOME STATES MAY REQUIRE AN INSPECTION BEFORE THIS VEHICLE [MAY BE] IS REGISTERED. THE STATE OF UTAH MAY REQUIRE THIS VEHICLE TO BE PERMANENTLY BRANDED AS A REBUILT SALVAGE VEHICLE. OTHER STATES MAY ALSO PERMANENTLY BRAND THE CERTIFICATE OF TITLE. YOU MAY ASK THE SELLER OF THE VEHICLE TO SEE A COPY OF THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM (NMVTIS) VEHICLE HISTORY REPORT. YOU MAY ALSO INDEPENDENTLY OBTAIN THE REPORT BY CHECKING NMVTIS ONLINE AT WWW.VEHICLEHISTORY.GOV.

Signature of Purchaser

Date"

Section 3. Section **41-6a-1645** is enacted to read:

41-6a-1645. Advanced driver assistance systems -- Repair, calibration, and

119 **disclosure.**

120 (1) As used in this section, "advanced driver assistance system" means an electronic
121 safety system designed to support the driver and vehicle while operating on roads and highways
122 that is intended to increase vehicle safety and reduce losses associated with automobile crashes.

123 (2) If the vehicle is equipped with an advanced driver assistance system, an automotive
124 glass company or repair facility approving or conducting glass repair, replacement, or
125 recalibration shall:

126 (a) before approving or performing a vehicle glass repair or replacement, inform the
127 consumer if a recalibration of that system is required and if such recalibration will be
128 performed; and

129 (b) if performing such recalibration, meet or exceed the manufacturer's specifications.

130 (3) (a) The automotive glass company or repair facility shall provide the consumer:

131 (i) an itemized description of the work to be done on the vehicle; and

132 (ii) if an insurer is paying all or part of the repair, the total amount the insurer has
133 agreed to pay for the work described in Subsection(3)(a)(i).

134 (b) An insurance company that makes payment for work described in Subsection (3)(a)
135 may not be required to pay more than a fair and competitive price for the local market area.

136 (c) An automotive glass company or repair facility may not represent to a customer that
137 the cost of a repair, replacement, or recalibration will be paid for entirely by the customer's
138 insurer and at no cost to the customer unless the cost of the repair, replacement, or recalibration
139 is fully covered ~~It~~→ **and approved** ←~~It~~ by the insurer.

140 (d) If a recalibration was not performed or not completed successfully, the automotive
141 glass company or repair facility shall inform the consumer electronically or in writing that the
142 recalibration was not successful or was not performed and that the vehicle should be taken to a
143 vehicle manufacturer's certified dealership, a qualified automobile glass company, or repair
144 facility capable of performing the recalibration of an advanced driver assistance system that
145 meets or exceeds the manufacturer's specifications.

146 (4) An automotive glass company or repair facility conducting a scan or recalibration
147 for vehicle glass repair or replacement services on a vehicle equipped with an advanced driver
148 assistance system:

149 (a) is not limited to vehicle glass, tooling, or equipment dictated or recommended by

the manufacturer's procedures or specifications; and

(b) shall recalibrate the advanced driver assistance system to meet or exceed the manufacturer's procedures or specifications.

~~Ĥ→ [(5) Governance of the use of glass, parts, tools, or equipment in the course of an insurer-funded repair is solely dictated by the policy holder's insurance policy.]~~

~~—— [(6)] (5) ←Ĥ~~ An automotive glass company or repair facility may only bill or charge for vehicle

glass repair, replacement, or recalibration services that are performed and necessary.

~~Ĥ→ [(7)] (6) ←Ĥ~~ A violation described in Subsections (1) through ~~Ĥ→ [(6)] (5) ←Ĥ~~ is a civil penalty of \$500.

~~Ĥ→ [(8)] (7) ←Ĥ~~ A person with actual knowledge that the advanced driver assistance system of a

motor vehicle is inoperable or has not been repaired or recalibrated after a vehicle glass repair or replacement as described in this section may not knowingly sell, offer for sale, or display for sale, the motor vehicle without providing written notice to the purchaser that:

(a) the advanced driver assistance system has not been repaired or recalibrated to the manufacturer's specifications; or

(b) the advanced driver assistance system is inoperable.

~~Ĥ→ [(9)] (8) ←Ĥ~~ A person who violates Subsection ~~Ĥ→ [(8)] (7) ←Ĥ~~ is guilty of a class B misdemeanor.

~~Ĥ→ [(10)] (9) ←Ĥ~~ (a) In addition to any other penalties, a purchaser may bring a civil action to

recover damages resulting from a seller's failure to provide notice under Subsection

~~Ĥ→ [(8)] (7) ←Ĥ~~ .

(b) The amount of damages that may be recovered in a civil action described in Subsection ~~Ĥ→ [(10)(a)] (9)(a) ←Ĥ~~ is the greater of:

(i) the amount of the actual damages; or

(ii) \$1,500.