

Department of Finance and Administration

Legislative Impact Statement

Bill: HB1322

As Engrossed: 3/4/2019

Bill Subtitle: TO AMEND CERTAIN DEFINITIONS USED IN THE MOTOR VEHICLE ADMINISTRATION, CERTIFICATE OF TITLE, AND ANTITHEFT ACT.

Basic Change :

Sponsor: Rep. Payton

HB1322, as engrossed by Amendments Nos. 1 and 2, amends the definition of "water-damaged" under § 27-14-2301(7) to mean a motor vehicle that has been submerged or partially submerged in water to the point that rising water has

1. Reached over the doorsill of the motor vehicle;
2. Entered the passenger compartment of the motor vehicle; and
3. Caused damage to the motor vehicle's powertrain, primary computer, or electrical system.

Under current law, "water-damaged" means damage to a motor vehicle caused by submerging or partially submerging the motor vehicle in water to the extent that the motor vehicle was submerged or partially submerged at any water level above the dashboard of the motor vehicle regardless of the actual dollar amount of damage.

Revenue Impact :

Unknown change to the number of salvage titles issued and fees collected by the Office of Motor Vehicle.

Taxpayer Impact :

A taxpayer's vehicle will be considered a salvage vehicle if water enters the vehicle compartment because of the vehicle being submerged or partially submerged in water and water reached the doorsill, entered the passenger compartment, and caused damage to the motor vehicle's powertrain, primary computer or electrical systems.

Resources Required :

None.

Time Required :

Adequate time is provided for implementation.

Procedural Changes :

Update Motor Vehicle Manual.

Other Comments :

None.

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Legal Analysis :

HB1322 as originally introduced changed the definition of a "water-damaged" vehicle to mean a vehicle that has been submerged in water to the point that rising water has reached over the doorsill and has entered the passenger compartment. Amendment No. 1 added a third element to the definition of "water-damaged" as water that has caused damage to the motor vehicle's powertrain, primary computer, or electrical systems. Amendment No. 1 had also added an exclusion from the definition of "water-damaged" vehicles. As engrossed with Amendment No. 2, HB1322 now removes the exclusion that had been previously added by Amendment No.1.