

Department of Finance and Administration

Legislative Impact Statement

Bill: SB334

Bill Subtitle: TO AMEND THE LAW CONCERNING THE BRANDING OF A TITLE.

Basic Change :

Sponsor: Senator Rapert

SB334 amends § 27-14-2305 and removes the provisions that only vehicles seven (7) model years old prior to the calendar year of the occurrence will be branded as a salvage vehicle. This bill will require the Office of Motor Vehicles to brand vehicles with damage of 70% or greater of the vehicle's value or is water damaged regardless of the year model of the vehicle.

Revenue Impact :

Issuance of salvage-branded titles will increase.

Taxpayer Impact :

A taxpayer owning a vehicle over seven model years of age will be subject to the mandatory salvage-branding requirements if the taxpayer's vehicle sustains damage of 70% or greater of the vehicle's value or is water damaged.

Resources Required :

None.

Time Required :

None.

Procedural Changes :

None.

Other Comments :

None.

Legal Analysis :

SB334 removes the restriction that only salvaged vehicles less than seven model years old are required to be titled as salvage and shall retain that designation for the life of the vehicle. One potential concern with amending § 27-14-2305(a) as proposed in SB334 is that older vehicles can receive a very small amount of damage but still be considered "salvage." These instances would require that those vehicles be issued a salvage title, but could possibly be issued a "rebuilt" title.