1	S.107			
2	Introduced by Senator Sears			
3	Referred to Committee on			
4	Date:			
5	Subject: Motor vehicles; titles; brands; flood			
6	Statement of purpose of bill as introduced: This bill proposes to require			
7	flooded motor vehicles to be branded on their titles as flooded and for brands			
8	on Vermont titles and on titles from other jurisdictions to be carried forward on			
9	Vermont titles.			
10	An act relating to branding the titles of flooded motor vehicles			
11	It is hereby enacted by the General Assembly of the State of Vermont:			
12	Sec. 1. 23 V.S.A. chapter 21 is amended to read:			
13	CHAPTER 21. TITLE TO MOTOR VEHICLES			
14	* * *			
15	§ 2001. DEFINITIONS			
16	Except when the context otherwise requires, as used in this chapter:			

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1	(19) "Flooded motor vehicle" or "flooded vehicle" means a vehicle that:
2	(A) has sustained water damage to the extent that an insurance
3	company has declared the vehicle to be a total loss or has taken possession of it
4	in settlement of a claim; or
5	(B) has been submerged or flooded above the bottom of the
6	dashboard.
7	* * *
8	§ 2013. WHEN CERTIFICATE REQUIRED
9	(a) Except as provided in section 2012 of this title, the provisions of this
10	chapter shall apply to all motor vehicles:
11	(1) at the time of first registration; or
12	(2) when a change of registration is required under the provisions of
13	section 321 of this title by reason of a sale for consideration, except for
14	vehicles. Vehicles that are more than 15 years old- are exempt from the
15	requirements of this title unless the vehicle's title has been or should be
16	branded "flooded."
17	* * *
18	§ 2015. APPLICATION FOR CERTIFICATE
19	(a) The application for the first certificate of title of a vehicle in this state
20	State shall be made by the owner to the commissioner Commissioner on the
21	form he or she prescribes and shall contain:

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contain:

(1) The the date issued;

1	(1) The the name, residence, and mail address of the owner;
2	(2) $\mathbf{A} \underline{\mathbf{a}}$ description of the vehicle, including, so far as the following data
3	exist, its make, model, identification number, odometer reading, or hubometer
4	reading or clock meter reading on all vehicles, type of body, the number of
5	cylinders, and whether new or used;
6	(3) The the date of purchase by the applicant, the name and address of
7	the person from whom the vehicle was acquired, and the names and addresses
8	of any lienholders in the order of their priority and the dates of their security
9	agreements and, if a new vehicle, the application shall be accompanied by a
10	manufacturer's or importer's certificate of origin;
11	(4) Any any further information the commissioner Commissioner
12	reasonably requires to identify the vehicle and to enable him or her to
13	determine whether the owner is entitled to a certificate of title and the
14	existence or nonexistence of security interests in the vehicle-; and
15	(5) [Repealed.] identification of whether the vehicle is a flooded
16	vehicle.
17	* * *
18	§ 2018. INFORMATION ON CERTIFICATE
19	(a) Each certificate of title issued by the commissioner Commissioner shall

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(2)	The the	name	and	address	of	the	owner;
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- (3) The the names and addresses of any lienholders, in the order of priority as shown on the application or, if the application is based on a certificate of title, as shown on the certificate; however, no more than two lienholders may appear on a certificate. In the event that there are more than two lienholders on the vehicle, the certificate of title shall contain the legend "There are more than two lienholders on this vehicle. Contact the Vermont Department of Motor Vehicles for details."
 - (4) The the title number assigned to the vehicle;
- (5) A <u>a</u> description of the vehicle, including, so far as the following data exist, its make, model, identification number, odometer reading or hubometer reading or clock meter reading on all vehicles, type of body, number of cylinders, whether new or used, and, if a new vehicle, the date of the first sale of the vehicle for use; and
- (6) the brand "flooded" if the vehicle is a flooded vehicle. Brands appearing on certificates of title issued by this State or another jurisdiction that reveal a pertinent fact about the vehicle shall be indicated and carried forward on all certificates of title issued by this State; and
 - (7) Any any other data the commissioner Commissioner prescribes.

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§ 2091. DISMANTLING OR DESTRUCTION OF VEHICLE SALVAGED,

FLOODED VEHICLES

- (a) Except for vehicles for which no certificate of title is required pursuant to section 2012 of this title and for vehicles which are more than 15 years old, any person who purchases or in any manner acquires a flooded vehicle or a vehicle as salvage, or who scraps, dismantles, or destroys a motor vehicle, or any insurance company or representative thereof who declares a motor vehicle to be a total loss, shall make application for a salvage certificate of title or a flood branded certificate of title, or both, within 15 days of the time acquiring the vehicle is purchased or otherwise acquired as salvage, scrapped, dismantled, or destroyed, or declared a total loss, scrapping, dismantling, or destroying it, or declaring it a total loss. A vehicle that meets the definition of a salvaged motor vehicle and a flooded motor vehicle under this chapter shall be branded "salvage flooded," and a vehicle that only meets the definition of a flooded motor vehicle shall be branded "flooded." An application shall not be required for vehicles which are more than 15 years old that are not required to have a flooded brand. The application shall be accompanied by:
 - (1) any certificate of title; and
- (2) identification of whether the vehicle is a flooded vehicle;

(3) any other information or documents that the commissioner
Commissioner may reasonably require to establish ownership of the vehicle
and the existence or nonexistence of any security interest in the vehicle.

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§ 2093. SALVAGED, TOTALED, AND REBUILT VEHICLES

(a) If a vehicle upon which a salvage certificate of title, a parts-only certificate, or other document indicating the vehicle is not sold for re-registration purposes has been or should have been issued by the commissioner Commissioner or by any other jurisdiction or person and or both, a vehicle that has been declared a totaled motor vehicle is rebuilt and restored for highway operation, the owner thereof shall not apply for a certificate of title or registration, and none shall be issued, until the vehicle has been inspected by the commissioner Commissioner or his or her authorized representative. The inspection of the vehicle shall be conducted in the manner prescribed by the commissioner Commissioner and shall include verification of the vehicle identification number and bills of sale or titles for major component parts used to rebuild the vehicle. When necessary, a new vehicle identification number shall be attached to the vehicle as provided by section 2003 of this title. Any new title issued for such vehicles shall contain the legend "rebuilt vehicle."

1	(b) Any person who sells, trades, or offers for sale or trade any interest in a
2	salvaged, <u>flooded</u> , salvaged and rebuilt, or totaled vehicle shall disclose the
3	fact that the vehicle has been salvaged, flooded, salvaged and rebuilt, or totaled
4	to a prospective purchaser both orally and in writing before a sale, trade, or
5	transfer is made. Written disclosure that the vehicle has been salvaged,
6	flooded, salvaged and rebuilt, or totaled, in addition to being disclosed on the
7	certificate of title as required by this subchapter, shall also be conspicuously
8	disclosed on any bill of sale, transfer, purchase, or other agreement.
9	(c) Failure of the seller to provide the notices required by this section shall
10	result in the seller being required, at the option of the buyer, to refund to the
11	buyer the purchase price, including taxes, license fees, and similar
12	governmental charges.
13	* * *
14	Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2013.