

State of Arizona
House of Representatives
Forty-fourth Legislature
Second Regular Session
2000

HOUSE BILL 2001

AN ACT

AMENDING SECTIONS 28-2058, 28-2091 AND 28-2207, ARIZONA REVISED STATUTES;
AMENDING TITLE 28, CHAPTER 7, ARTICLE 11, ARIZONA REVISED STATUTES, BY ADDING
SECTION 28-2356; RELATING TO COMMERCIAL VEHICLE LICENSE PLATES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 28-2058, Arizona Revised Statutes, is amended to
3 read:
4 28-2058. Transfer of title; odometer mileage disclosure
5 statement
6 A. When the owner of a registered or unregistered vehicle transfers or
7 assigns the owner's title or interest to the vehicle:
8 1. If the vehicle is registered:
9 (a) The owner shall endorse on the certificate of title to the vehicle
10 an assignment with the warranty of title in the form printed on the
11 certificate.
12 (b) Except as provided in section 28-2094, the owner shall deliver the
13 certificate to the purchaser or transferee at the time of delivery of the
14 vehicle to the purchaser or transferee.
15 (c) EXCEPT AS OTHERWISE PROVIDED BY LAW, the registration of the
16 vehicle expires.
17 (d) Except as otherwise provided by law, the license plates assigned
18 to the vehicle shall remain on the vehicle.
19 (e) The owner shall remove the registration card issued for the
20 vehicle, endorse the name and address of the transferee and the date of
21 transfer and immediately forward the card or other written notification to
22 the department.
23 (f) IF SECTION 28-2356 APPLIES:
24 (i) THE OWNER OR LESSEE SHALL TRANSFER THE LICENSE PLATES, SURRENDER
25 THE LICENSE PLATES TO THE DEPARTMENT OR AN AUTHORIZED THIRD PARTY OR SUBMIT
26 AN AFFIDAVIT OF LICENSE PLATE DESTRUCTION WITHIN THIRTY DAYS AFTER THE OWNER
27 OR LESSEE TRANSFERS OR ASSIGNS THE OWNER'S OR LESSEE'S TITLE OR INTEREST IN
28 THE VEHICLE.
29 (ii) THE ACQUIRING OWNER OR LESSEE SHALL APPLY FOR REGISTRATION OR
30 TITLE, OR BOTH, WITHIN FIFTEEN DAYS AFTER THE RELINQUISHING OWNER OR LESSEE
31 TRANSFERS OR ASSIGNS THE RELINQUISHING OWNER'S OR LESSEE'S TITLE OR INTEREST
32 IN THE VEHICLE.
33 2. Regardless of whether or not the vehicle is registered:
34 (a) Except as provided in subsection B of this section, the owner
35 shall deliver to the purchaser or transferee an odometer mileage disclosure
36 statement in a form prescribed by the director.
37 (b) Except as provided in section 28-2060, the purchaser or transferee
38 shall present the certificate of title to the department with the required
39 fee within thirty days after the transfer and:
40 (i) The department shall issue a new certificate of title to the
41 purchaser or transferee.
42 (ii) If required, the purchaser or transferee shall apply for and
43 obtain registration, and the department shall issue new license plates to the
44 purchaser or transferee.

- 1 B. The odometer disclosure requirement of subsection A of this section
2 does not apply to:
- 3 1. A motor vehicle that is ten model years of age or older.
 - 4 2. A motor vehicle that has a gross vehicle weight rating of sixteen
5 thousand pounds or more.
 - 6 3. A vehicle that is not self-propelled.
 - 7 4. A motor vehicle that is sold directly by the manufacturer to an
8 agency of the United States in conformity with contractual specifications.
 - 9 5. A new motor vehicle that is purchased for resale and not for use by
10 the purchaser.

11 Sec. 2. Section 28-2091, Arizona Revised Statutes, is amended to read:
12 28-2091. Salvage certificate of title; nonrepairable vehicle
13 certificate of title; violation; classification;
14 definitions

15 A. If a vehicle subject to titling or registration pursuant to this
16 chapter becomes a salvage vehicle or nonrepairable vehicle and is acquired by
17 an insurance company as a result of a total loss insurance settlement, the
18 insurance company or its authorized agent shall submit an application to the
19 department within thirty days after the loss or settlement of the loss on a
20 form prescribed by the department for a salvage certificate of title or
21 nonrepairable vehicle certificate of title and include the following:

- 22 1. A properly endorsed certificate of title.
- 23 2. A lien satisfaction, if applicable.
- 24 3. The registration card.
- 25 4. The license ~~plate~~ PLATES, if ~~any~~ THE LICENSE PLATES ARE NOT
26 RETAINED OR AN AFFIDAVIT OF LICENSE PLATE DESTRUCTION IS NOT SUBMITTED
27 PURSUANT TO SECTION 28-2356.
- 28 5. The appropriate fees.

29 B. If the registration card or license plate is lost or destroyed, the
30 applicant shall state in a form prescribed by the department, under penalty
31 of perjury, the circumstances of the loss or destruction.

32 C. Except for vehicles registered pursuant to section 28-2482, 28-2483
33 or 28-2484, if the owner retains possession of a salvage vehicle or
34 nonrepairable vehicle, the owner shall comply with this section before
35 receiving a total loss settlement from the insurance company or otherwise
36 disposing of the vehicle.

37 D. Any other owner of a vehicle that is a salvage vehicle or
38 nonrepairable vehicle shall apply for a salvage certificate of title or
39 nonrepairable vehicle certificate of title pursuant to this section.

40 E. On receipt of a proper application, the department shall issue a
41 salvage certificate of title or nonrepairable vehicle certificate of title
42 for the vehicle.

43 F. If the department issues a nonrepairable vehicle certificate of
44 title for a vehicle, the registration of the vehicle is cancelled. The front
45 of a nonrepairable vehicle certificate of title shall be branded with the

1 word "nonrepairable". The ownership of a vehicle for which a nonrepairable
2 vehicle certificate of title has been issued shall not be reassigned more
3 than two times on that certificate of title. If a nonrepairable vehicle
4 certificate of title is issued for a vehicle, the department shall not issue
5 any further certificate of title for that vehicle.

6 G. An owner of a vehicle that is not a salvage vehicle who sells the
7 vehicle as scrap or for purposes of dismantling or destroying shall assign
8 the certificate of title to the purchaser, and the purchaser shall comply
9 with section 28-2094.

10 H. On sale of the vehicle, an owner of a salvage vehicle for which a
11 salvage certificate of title has been obtained or an owner of a nonrepairable
12 vehicle for which a nonrepairable vehicle certificate of title has been
13 obtained shall assign and deliver the salvage certificate of title or
14 nonrepairable vehicle certificate of title to the purchaser and shall notify
15 the department of the name and address of the purchaser. The department
16 shall issue a certificate of title to a vehicle that has been issued a
17 salvage certificate of title as a result of a total loss settlement by reason
18 of theft if the vehicle is recovered and was not wrecked or stripped of
19 essential parts. For the purposes of this subsection, "essential parts"
20 means integral and body parts, the removal, alteration or substitution of
21 which will tend to conceal the identity or substantially alter the appearance
22 of the vehicle.

23 I. Any person who sells a vehicle for which a salvage certificate of
24 title has been issued and who knows a salvage certificate of title has been
25 issued for the vehicle shall disclose to the buyer before completion of the
26 sale that the vehicle is a salvage vehicle.

27 J. If a vehicle that is titled as a salvage vehicle is to be scrapped,
28 dismantled or destroyed, the owner or purchaser shall comply with section
29 28-2094.

30 K. The provisions of this chapter that refer to titles apply to
31 salvage certificates of title and nonrepairable vehicle certificates of title
32 issued pursuant to this section unless they conflict with this section.

33 L. If SECTION 28-2356 DOES NOT APPLY AND a person has a currently
34 registered vehicle that has subsequently become a total loss due to an
35 accident or an unrecovered theft, the person may make a verified written
36 application to the registering officer indicating the occurrence of the total
37 loss. When the registering officer confirms that an application for a
38 salvage certificate of title, nonrepairable vehicle certificate of title or
39 dismantle certificate of title has been made, the registering officer shall:

40 1. Determine the amount of the vehicle license tax as provided for in
41 section 28-5801.

42 2. Reduce the amount of the registration fee required pursuant to
43 section 28-2003 and the vehicle license tax determined in paragraph 1 of this
44 subsection by:

1 (a) One-twelfth for each full month of the registration period not yet
2 expired if the vehicle is registered on an annual basis.

3 (b) One twenty-fourth for each full month of the registration period
4 not yet expired if the vehicle is registered on a biennial basis pursuant to
5 section 28-2159.

6 3. Refund the owner with the appropriate amount of the fee and tax
7 previously paid, to be applied to the registration of another vehicle.

8 M. If a component part of a vehicle on which the vehicle
9 identification number is affixed is to be replaced and if the vehicle is
10 being repaired by a person other than its owner, the person shall notify the
11 owner in writing and in the manner prescribed by the department that the part
12 has been replaced, and the owner shall comply with section 28-2165.

13 N. A person who violates this section is guilty of a class 2
14 misdemeanor.

15 0. For the purposes of this section:

16 1. "Nonrepairable vehicle" means a vehicle of a type that is otherwise
17 subject to titling and registration pursuant to this chapter and that either:

18 (a) Has no resale value except as a source of parts or scrap metal and
19 the owner or insurer designates the vehicle solely as a source of parts or
20 scrap metal.

21 (b) Is a completely stripped vehicle that is recovered from theft and
22 that is missing the engine or motor, the transmission, all of the bolt-on
23 sheet metal body panels, all of the doors and hatches, substantially all of
24 the interior components and substantially all of the grill and light
25 assemblies or that the owner designates has little or no resale value except
26 its worth as a source of scrap metal or as a source of a vehicle
27 identification number that could be used illegally.

28 (c) Is a completely burned vehicle that has been burned to the extent
29 that there are no usable or repairable body or interior components, tires and
30 wheels, engine or motor or transmission and that the owner irreversibly
31 designates as having little or no resale value except as a source of scrap
32 metal or as a source of a vehicle identification number that could be used
33 illegally.

34 2. "Nonrepairable vehicle certificate of title" means a vehicle
35 ownership document issued to the owner of a nonrepairable vehicle.

36 3. "Salvage vehicle" means a vehicle, other than a nonrepairable
37 vehicle, of a type that is subject to titling and registration pursuant to
38 this chapter and that has been stolen, wrecked, destroyed, flood or water
39 damaged or otherwise damaged to the extent that the owner, leasing company,
40 financial institution or insurance company that insured the vehicle considers
41 it uneconomical to repair the vehicle.

42 Sec. 3. Section 28-2207, Arizona Revised Statutes, is amended to read:

43 28-2207. [Renewal of fleet registration; deletion of vehicle](#)

44 A. On the renewal of a fleet registration, the department shall
45 require payment of full license fees for each vehicle registered in the

1 preceding year unless the vehicle has been deleted from the fleet as required
2 by this section.

3 B. To delete a vehicle from a fleet, the fleet registrant shall
4 surrender to the department the permanent registration card, the permanent
5 validating sticker and the license plate, EXCEPT THAT, IF SECTION 28-2356
6 APPLIES, THE FLEET REGISTRANT SHALL NOTIFY THE DEPARTMENT THAT THE LICENSE
7 PLATE ASSIGNED TO THE VEHICLE HAS BEEN REMOVED FROM THE VEHICLE.
8 NOTWITHSTANDING SECTION 28-2058 AND IF SECTION 28-2356 APPLIES, THE
9 DEPARTMENT MAY ALLOW A FLEET REGISTRANT TO RETAIN A LICENSE PLATE THAT IS NOT
10 TRANSFERRED TO ANOTHER VEHICLE. IF THE DEPARTMENT DOES NOT ALLOW A FLEET
11 REGISTRANT TO RETAIN THE LICENSE PLATE, THE FLEET REGISTRANT SHALL EITHER
12 SURRENDER THE LICENSE PLATE TO THE DEPARTMENT OR AN AUTHORIZED THIRD PARTY OR
13 SUBMIT AN AFFIDAVIT OF LICENSE PLATE DESTRUCTION AS PRESCRIBED BY THE
14 DIRECTOR. If the card, sticker or license plate is lost or stolen, the fleet
15 registrant shall submit a sworn statement detailing the circumstances for the
16 inability to surrender the card, sticker or license plate. IF SECTION
17 28-2356 APPLIES AND THE LICENSE PLATE IS LOST OR STOLEN, THE FLEET REGISTRANT
18 SHALL SUBMIT A SWORN STATEMENT DETAILING THE CIRCUMSTANCES FOR THE INABILITY
19 TO RETAIN, SURRENDER OR DESTROY THE LICENSE PLATE.

20 Sec. 4. Title 28, chapter 7, article 11, Arizona Revised Statutes, is
21 amended by adding section 28-2356, to read:

22 28-2356. Transfer of commercial vehicle license plates to
23 another commercial vehicle

24 A. THE OWNER OR LESSEE OF A VEHICLE THAT IS SUBJECT TO COMMERCIAL
25 REGISTRATION AND GROSS WEIGHT FEES PURSUANT TO SECTION 28-5433 AND FOR WHICH
26 THE DEPARTMENT PROVIDED LICENSE PLATES PURSUANT TO SECTION 28-2351 SHALL
27 RETAIN THOSE LICENSE PLATES WHEN THE OWNER OR LESSEE TRANSFERS THE VEHICLE TO
28 ANOTHER PERSON.

29 B. THE DEPARTMENT MAY ASSIGN THE LICENSE PLATES RETAINED PURSUANT TO
30 SUBSECTION A OF THIS SECTION TO ANOTHER VEHICLE THAT BELONGS TO THE OWNER OR
31 LESSEE IF ALL OF THE FOLLOWING APPLY:

32 1. THE OTHER VEHICLE IS OF THE SAME VEHICLE TYPE AND IS SUBJECT TO
33 COMMERCIAL REGISTRATION AND GROSS WEIGHT FEES PURSUANT TO SECTION 28-5433.

34 2. THE OWNER OR LESSEE MAKES PROPER APPLICATION TO THE DIRECTOR OR A
35 THIRD PARTY AUTHORIZED PURSUANT TO CHAPTER 13 OF THIS TITLE.

36 3. THE OWNER OR LESSEE PAYS A TRANSFER FEE OF TWELVE DOLLARS IN
37 ADDITION TO ANY OTHER FEES REQUIRED BY LAW.

38 4. IF THE REGISTRATION FEES, VEHICLE LICENSE TAX, GROSS WEIGHT FEES,
39 COMMERCIAL REGISTRATION FEES, SPECIAL PLATE FEES AND MOTOR CARRIER FEES ARE
40 MORE THAN THE SIMILAR FEES AND TAXES REQUIRED TO REGISTER THE VEHICLE TO
41 WHICH THE LICENSE PLATES WERE PREVIOUSLY ASSIGNED, THE OWNER OR LESSEE PAYS
42 ANY ADDITIONAL FEES AND TAXES REQUIRED AFTER SUBTRACTING ANY CREDIT ALLOWED
43 UNDER SUBSECTION E OF THIS SECTION.

44 C. IF THE OTHER VEHICLE IS NOT OF THE SAME VEHICLE TYPE AS THE VEHICLE
45 FOR WHICH THE LICENSE PLATES WERE PROVIDED BY THE DEPARTMENT PURSUANT TO

1 SECTION 28-2351 OR IS NOT SUBJECT TO COMMERCIAL REGISTRATION AND GROSS WEIGHT
2 FEES PURSUANT TO SECTION 28-5433, THE OWNER OR LESSEE SHALL EITHER SURRENDER
3 THE LICENSE PLATES TO THE DEPARTMENT OR AN AUTHORIZED THIRD PARTY OR SUBMIT
4 AN AFFIDAVIT OF LICENSE PLATE DESTRUCTION AS PRESCRIBED BY THE DIRECTOR. ON
5 SURRENDER OF THE LICENSE PLATES OR SUBMISSION OF AN AFFIDAVIT OF LICENSE
6 PLATE DESTRUCTION, THE DEPARTMENT SHALL PROVIDE NEW LICENSE PLATES OF THE
7 PROPER VEHICLE TYPE TO THE OWNER OR LESSEE AND, SUBJECT TO SUBSECTION D OF
8 THIS SECTION, CREDIT THE OWNER OR LESSEE WITH AN AMOUNT EQUAL TO THE
9 UNEXPENDED PORTION OF THE FEES AND TAXES ORIGINALLY PAID BY THE OWNER OR
10 LESSEE FOR REGISTRATION AND LICENSE PLATES TOWARD FEES AND TAXES CHARGED FOR
11 THE REGISTRATION AND LICENSE PLATES OF THE APPROPRIATE NEW VEHICLE TYPE.

12 D. IF FEES AND TAXES CHARGED FOR THE REGISTRATION OF ANOTHER VEHICLE
13 TO WHICH LICENSE PLATES ARE ASSIGNED ARE LESS THAN THE SIMILAR FEES AND TAXES
14 FOR THE REGISTRATION OF THE VEHICLE TO WHICH THE LICENSE PLATES WERE LAST
15 ASSIGNED OR IF FEES AND TAXES CHARGED FOR NEW LICENSE PLATES OF A DIFFERENT
16 VEHICLE TYPE ARE LESS THAN FEES AND TAXES FOR THE REGISTRATION OF THE OWNER'S
17 OR LESSEE'S PREVIOUS VEHICLE, THE OWNER OR LESSEE IS NOT ENTITLED TO A
18 REFUND.

19 E. THE OWNER OR LESSEE OF A REGISTERED VEHICLE WHO TRANSFERS LICENSE
20 PLATES TO ANOTHER VEHICLE OR WHO SURRENDERS LICENSE PLATES OR SUBMITS AN
21 AFFIDAVIT OF LICENSE PLATE DESTRUCTION PURSUANT TO SUBSECTION C OF THIS
22 SECTION IS ENTITLED TO A CREDIT FOR THE UNEXPIRED PORTION OF THE FEES AND
23 TAXES PAID AS REQUIRED BY LAW IN ACCORDANCE WITH THE FOLLOWING CONDITIONS:

24 1. THE FEES AND TAXES ARE PRORATED ON A MONTHLY BASIS BEGINNING ON THE
25 FIRST DAY OF THE REGISTRATION MONTH FOLLOWING THE DATE OF ACQUISITION OF THE
26 VEHICLE.

27 2. THE CREDIT SHALL BE AN AMOUNT COMPUTED AS FOLLOWS:

28 (a) IF THE VEHICLE IS REGISTERED ON AN ANNUAL BASIS, ONE-TWELFTH FOR
29 EACH FULL MONTH OF THE REGISTRATION PERIOD NOT YET EXPIRED.

30 (b) IF THE VEHICLE IS REGISTERED ON A BIENNIAL BASIS PURSUANT TO
31 SECTION 28-2159, ONE-TWENTY-FOURTH FOR EACH FULL MONTH OF THE REGISTRATION
32 PERIOD NOT YET EXPIRED.

33 (c) IF THE VEHICLE IS PERMANENTLY REGISTERED, ONE-TWENTY-FOURTH FOR
34 EACH FULL MONTH AFTER ACQUISITION OF THE VEHICLE TO THE TWENTY-FOURTH MONTH
35 AFTER THE DATE OF INITIAL PERMANENT REGISTRATION OF THE VEHICLE.

36 F. AN OWNER OR LESSEE WHO TRANSFERS LICENSE PLATES TO ANOTHER VEHICLE
37 PURSUANT TO THIS SECTION IS SUBJECT TO THE SAME PENALTIES FOR THE USE OF THE
38 LICENSE PLATES ON ANOTHER VEHICLE OR FOR IMPROPER USE OF THE LICENSE PLATES
39 AS THE OWNER OR LESSEE WOULD HAVE BEEN SUBJECT TO FOR USE OF THE LICENSE
40 PLATES ON THE VEHICLE TO WHICH THE PLATES WERE PREVIOUSLY ASSIGNED.

41 G. THE DIRECTOR SHALL ADOPT RULES NECESSARY TO ADMINISTER THIS
42 SECTION.

43 Sec. 5. Effective date

44 This section is effective from and after December 31, 2001.