

IN THE SENATE

SENATE BILL NO. 1282

BY TRANSPORTATION COMMITTEE

AN ACT

1 RELATING TO TEMPORARY VEHICLE REGISTRATION PERMITS; AMENDING SECTION  
2 49-523, IDAHO CODE, TO REVISE A PROVISION REGARDING TEMPORARY VEHICLE  
3 REGISTRATION PERMITS AND TO MAKE TECHNICAL CORRECTIONS; AND DECLARING  
4 AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.  
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 49-523, Idaho Code, be, and the same is hereby  
8 amended to read as follows:

9 49-523. PROCEDURE WHEN DEPARTMENT UNSATISFIED AS TO OWNERSHIP OR SE-  
10 CURITY INTERESTS -- TEMPORARY REGISTRATION PROCEDURE. (1) If the department  
11 is not satisfied as to the ownership of the vehicle or that there are no  
12 undisclosed security interests in it, the department may register the vehi-  
13 cle, but shall either:

14 (a) Withhold issuance of a certificate of ownership until the applicant  
15 presents documents reasonably sufficient to satisfy the department as  
16 to the applicant's ownership of the vehicle and that there are no undis-  
17 closed security interests in it; or

18 (b) As a condition of issuing a certificate of ownership, require the  
19 applicant to file with the department all documents held as to the ap-  
20 plicant's ownership of the vehicle, together with a bond in the form  
21 prescribed by the department and executed by the applicant, or a de-  
22 posit of cash in a like amount. The bond shall be in an amount equal to  
23 one and one-half (1 1/2) times the value of the vehicle, as determined  
24 by the department, and conditioned to indemnify any prior owner and  
25 secured party and any subsequent purchaser of the vehicle or person  
26 acquiring any security interest in it, and their respective successors  
27 in interest, against any expense, loss or damage, including reasonable  
28 attorney's fees, by reason of the issuance of the certificate of owner-  
29 ship of the vehicle, or on account of any defect in or disclosed security  
30 interest ~~upon~~ on the right, title and interest of the applicant in and to  
31 the vehicle. Any such interested person has a right of action to recover  
32 on the bond for any breach of its conditions, but the aggregate liabil-  
33 ity of the surety to all persons shall not exceed the amount of the bond.  
34 The bond, or any cash deposit, shall be returned at the end of three (3)  
35 years, or prior to that time if the vehicle is no longer registered in  
36 this state and the current valid certificate of ownership is surren-  
37 dered to the department, unless the department has been notified of the  
38 pendency of an action to recover on the bond.

39 (c) As to a vehicle at least ten (10) model years old, an applicant who  
40 is a resident of the state of Idaho may file with the department, before  
41 its authorized representative, a verified statement of facts setting  
42 out in detail the manner in which the applicant came into possession of

1 the vehicle, the establishment of ownership, and a summary of the ap-  
2 plicant's attempts to contact any prior owners of the vehicle. Upon re-  
3 ceipt by the department of the verified statement and all documentation  
4 relating to the applicant's possession of the vehicle, and completion  
5 of an inspection of the vehicle identification number by an authorized  
6 representative of the department, the applicant shall execute a docu-  
7 ment in the form provided by the department releasing ~~it~~ the department  
8 of any and all damages that may be suffered by the applicant, along with  
9 warranties that the applicant will pay any and all damages suffered by  
10 any person or entity as to the issuance of a title for that vehicle by the  
11 department. The department shall then issue a certificate of title to  
12 the applicant in a form set out by this section. The certificate of ti-  
13 tle shall include the statement, "ISSUED ON STATEMENT OF APPLICANT," in  
14 permanent letters ~~upon~~ on its face. The title issued pursuant to this  
15 subsection shall be presumed to indicate legal ownership of the vehicle  
16 at the end of the three (3) year period from the date of issue of that  
17 title, provided the vehicle is still registered in the state of Idaho,  
18 and there are no actions or claims pending against the applicant ~~which~~  
19 that place legal ownership in question. The department and the state of  
20 Idaho shall be immune as to any damages suffered by any person or entity  
21 as a result of the issuance of a certificate of title as provided by this  
22 subsection.

23 (2) Every dealer desiring the privilege of issuing temporary registra-  
24 tion permits for the operation of vehicles shall make application to the de-  
25 partment. If the privilege is granted, the dealer will receive a series of  
26 permits, consecutively numbered by the department, secured by the dealer at  
27 a fee of nine dollars (\$9.00) for each permit. A permit subsequently issued  
28 by a dealer to a purchaser shall be valid for a period not to exceed thirty  
29 (30) days. The dealer shall issue temporary registration permits in numer-  
30 ical sequence, one (1) only for each vehicle sold to a bona fide purchaser.  
31 Each permit, and the attached stub, shall be completed in duplicate, in ink  
32 or by typewriter, at the time of issuance. The expiration date on the orig-  
33 inal permit shall be filled in by rubber stamp or broad-tipped marking pen,  
34 and the print shall be at least three-fourths (3/4) inch high and one-eighth  
35 (1/8) inch wide. The original permit shall be displayed in the rear window  
36 of the vehicle for which it is issued, except when issued for a convertible,  
37 station wagon, motorcycle, or other vehicle for which this would not be prac-  
38 tical. In these exceptional cases, the permit should be conspicuously dis-  
39 played in a place where the number of the permit and the expiration date may  
40 be easily read and where protected from exposure to weather conditions ~~which~~  
41 that would render it illegible.

42 (3) The dealer shall keep a written record of every temporary registra-  
43 tion permit issued. This record shall include the name and address of the  
44 person or firm to whom the permit is issued, ~~7~~ and a description of the vehicle  
45 for which it is issued, including year, make, model, identification number,  
46 and the date of issue. This record shall list all permits in numerical se-  
47 quence and shall be open to inspection by any peace officer or designated em-  
48 ployee of the department.

1           (4) The fees collected from dealers by the department under the pro-  
2 visions of this section shall be transmitted by the department to the state  
3 treasurer for deposit in the highway distribution account.

4           (5) Upon application for title and for registration of a vehicle for  
5 which temporary registration has been issued under this section, the county  
6 assessor shall collect and fees shall be deemed due from the date of issuance  
7 of the temporary registration permit rather than from the date of applica-  
8 tion for title or registration.

9           (6) The department or a county assessor may issue temporary vehicle  
10 registration permits in ~~an~~ emergency situations, or for two (2) thirty (30)  
11 day periods per vehicle, per owner, if such owner is attempting to sell the  
12 vehicle. The fee for a temporary registration shall be nine dollars (\$9.00)  
13 and shall be valid for a period of thirty (30) days. The temporary fees  
14 collected by the department shall be transmitted to the state treasurer for  
15 deposit in the highway distribution account. Temporary fees collected by  
16 an assessor shall be distributed as follows: five dollars (\$5.00) shall be  
17 deposited in the county current expense fund and four dollars (\$4.00) shall  
18 be transmitted to the department for deposit through the state treasurer in  
19 the highway distribution account.

20           SECTION 2. An emergency existing therefor, which emergency is hereby  
21 declared to exist, this act shall be in full force and effect on and after  
22 July 1, 2024.