

ENGROSSED HOUSE
BILL NO. 1744

By: Tyler

An Act relating to motor vehicles; amending 47 O.S. 1991, Section 564, which relates to licenses for motor vehicle dealer, salesperson, manufacturer, distributor, or factory branch; requiring applicants for salesperson's license to take and pass certain class; requiring class to cover certain topics; providing for fee for class; permitting the Oklahoma Motor Vehicle Commission to promulgate certain rules; modifying fee for salesperson's license; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 47 O.S. 1991, Section 564, is amended to read as follows:

Section 564. A. It shall be unlawful for any person, firm, association, corporation or trust to engage in business as, or serve in the capacity of, or act as a motor vehicle dealer, or motor vehicle salesperson, or manufacturer or distributor of new motor vehicles, or factory branch, distributor branch, or factory representative or distributor representative, as such, in this state without first obtaining a license therefor as provided for by law. Any person, firm, association, corporation or trust engaging in more than one of ~~said~~ the capacities or having more than one place where

such business is carried on or conducted shall be required to obtain and hold a current license for each ~~thereof~~ capacity and place of business in which ~~he, it or they shall be~~ the person is engaged.

~~Provided that,~~ a A new motor vehicle dealer's license shall authorize one person to sell without a salesperson's license in the event such person shall be the owner of a proprietorship, or the person designated as principal in the dealer's franchise or the managing officer or one partner if no principal person is named in the franchise.

B. 1. Applications for licenses required to be obtained under provisions of this act shall be verified by the oath or affirmation of the applicant and shall be on forms prescribed by the Commission and furnished to such applicants, and shall contain such information as the Commission deems necessary to enable it to fully determine the qualifications and eligibility of the several applicants to receive the license or licenses applied for. The Commission shall require in such application, or otherwise, information relating to the applicant's financial standing, the applicant's business integrity, whether the applicant has an established place of business and is primarily engaged in the pursuit, avocation or business for which a license, or licenses, are applied for, and whether the applicant is able to properly conduct the business for which a license, or licenses, are applied for, and such other pertinent information consistent with the safeguarding of the public interest and the public welfare. All such applications for license or licenses shall be accompanied by the appropriate fee or fees ~~therefor~~ in accordance with the schedule ~~thereof hereinafter set out~~ set forth in this section. In the event any such application is denied and the license applied for is not issued, the entire license fee shall be returned to the applicant. All licenses issued under the provisions of this act shall expire on June 30, following the date of issue and shall be nontransferable. All applications for

renewal of a license for a new motor vehicle dealer, salesperson, manufacturer, distributor or manufacturer's or distributor's representative shall be submitted by June 1 of each year, and such license or licenses will be issued by July 1. If applications have not been made for renewal of licenses at the times described in this subsection it shall be illegal for any person to represent himself or herself and act as a dealer, salesperson, manufacturer, distributor or manufacturer's or distributor's representative. Tag agents will be notified not to accept such dealers' titles until such time as licenses have been issued by the Commission.

2. In addition to the requirements of this subsection, an applicant for a salesperson's license shall be required to attend and pass a training or educational class sponsored by or on behalf of the Commission covering such areas and subjects as the Commission deems necessary which shall include, but not be limited to, ethics and applicable state and federal laws. Each applicant shall be tested on the information covered in the training or educational class and shall be required to meet minimum testing standards as prescribed by the Commission. The Commission may charge a fee not to exceed Fifty Dollars (\$50.00) for the class and test. The provisions of this paragraph shall apply to all applicants applying for a new or renewal salesperson's license after November 1, 1997. The Commission shall promulgate any necessary rules to implement the provisions of this paragraph.

Dealers' payrolls and other evidence will be checked to ascertain that all salespersons for such dealers are licensed.

C. The schedule of license fees to be charged and received by the Commission for the licenses issued hereunder shall be as follows:

1. For each factory branch or distributor branch, Two Hundred Dollars (\$200.00) initial fee with annual renewal fee of One Hundred Dollars (\$100.00);

2. For each manufacturer or distributor of new motor vehicles, Two Hundred Dollars (\$200.00) initial fee with annual renewal fee of One Hundred Dollars (\$100.00);

3. For each factory representative or distributor representative, Sixty Dollars (\$60.00) annually;

4. For the license issued initially to each new motor vehicle dealer, the fee shall be Two Hundred Dollars (\$200.00) per franchise sold at each location licensed, with an annual renewal fee of Sixty Dollars (\$60.00) per franchise sold at each location per year; and

5. For each salesperson's license issued, ~~Ten~~ Twenty-five Dollars ~~(\$10.00)~~ (\$25.00) renewed annually.

D. The licenses issued to each new motor vehicle dealer, manufacturer, distributor, factory branch, distributor branch or representative, if a corporation, shall specify the location of the factory, office or branch thereof. In case such location is changed, the Commission may endorse the change of location on the license without charge unless the change of address triggers a relocation of a new motor vehicle dealer pursuant to the provisions of Section 578 of this title. The license of each dealer shall be posted in a conspicuous place in the dealer's place or places of business.

Every motor vehicle salesperson, factory representative or distributor representative if an individual shall ~~have his or her~~ carry the license ~~upon his person~~ when engaged in his or her business, and shall display same upon request. The name of the employer of such salesperson, factory representative or distributor representative shall be stated on ~~said~~ the license and, in case of a change of employer, the holder of ~~such~~ the license shall immediately mail same to the Commission for its endorsement of such change thereon. The Commission shall endorse each such change of employer on ~~said~~ the licenses without charge.

SECTION 2. This act shall become effective November 1, 1997.

Passed the House of Representatives the 27th day of February,
1997.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 1997.

President of the Senate