

ENROLLED HOUSE  
BILL NO. 1318

By: Shoemake of the House

and

Ballenger of the Senate

An Act relating to motor vehicles; amending 47 O.S. 2001, Section 584, as amended by Section 4, Chapter 298, O.S.L. 2005 (47 O.S. Supp. 2008, Section 584), which relates to the Used Motor Vehicle and Parts Commission; requiring certain information be provided prior to denial of a license; allowing applicant certain time period to resolve certain issues; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 584, as amended by Section 4, Chapter 298, O.S.L. 2005 (47 O.S. Supp. 2008, Section 584), is amended to read as follows:

Section 584. A. The Oklahoma Used Motor Vehicle and Parts Commission may deny an application for a license, impose a fine not to exceed One Thousand Dollars (\$1,000.00) per occurrence and/or revoke or suspend a license after it has been granted, when any provision of Sections 581 through ~~585~~ 588 of this title is violated or for any of the following reasons:

1. On satisfactory proof of unfitness of the applicant or the licensee, as the case may be, under the standards established by ~~Section Sections~~ Sections 581 ~~et seq.~~ through 588 of this title;

2. For fraud practices or any material misstatement made by an applicant in any application for license under the provisions of ~~Section Sections~~ Sections 581 ~~et seq.~~ through 588 of this title;

3. For any willful failure to comply with any provision of Section 581 et seq. of this title or with any rule promulgated by the Commission under authority vested in it by ~~Section~~ Sections 581 ~~et seq.~~ through 588 of this title;

4. Change of condition after license is granted resulting in failure to maintain the qualifications for license;

5. Continued or flagrant violation of any of the rules of the Commission;

6. Being a used motor vehicle dealer, used motor vehicle salesperson, a wholesale used motor vehicle dealer, or a manufactured home dealer, a manufactured home installer, manufactured home manufacturer, or manufactured home salesperson who:

- a. resorts to or uses any false or misleading advertising in connection with business as a used motor vehicle dealer or salesperson, wholesale used motor vehicle dealer or manufactured home dealer, installer or manufacturer,
- b. has committed any unlawful act which resulted in the revocation of any similar license in another state,
- c. has been convicted of a crime involving moral turpitude,
- d. has committed a fraudulent act in selling, purchasing or otherwise dealing in motor vehicles or manufactured homes or has misrepresented the terms and conditions of a sale, purchase or contract for sale or purchase of a motor vehicle or manufactured home or any interest therein including an option to purchase such motor vehicles or manufactured homes,
- e. has engaged in business under a past or present license issued pursuant to ~~Section~~ Sections 581 ~~et seq.~~ through 588 of this title, in such a manner as to cause injury to the public or to those with whom the licensee is dealing,

- f. has failed to meet or maintain the conditions and requirements necessary to qualify for the issuance of a license,
  - g. has failed or refused to furnish and keep in force any bond required under ~~Section~~ Sections 581 ~~et seq.~~ through 588 of this title,
  - h. has installed or attempted to install a manufactured home in an unworkmanlike manner, or
  - i. employs unlicensed salesperson or other unlicensed persons in connection with the sale of manufactured homes;
7. Being a used motor vehicle dealer who:
- a. does not have an established place of business,
  - b. employs unlicensed salespersons or other unlicensed persons in connection with the sale of used vehicles,
  - c. fails or refuses to furnish or keep in force single limit liability insurance on any vehicle offered for sale and otherwise required under the financial responsibility laws of this state, or
  - d. is not operating from the address shown on the license if this change has not been reported to the Commission; or
8. Being a manufactured home dealer who:
- a. does not have an established place of business,
  - b. fails or refuses to furnish or keep in force garage liability and completed operations insurance, or
  - c. is not operating from the address shown on the license if this change has not been reported to the Commission.

B. The Commission shall deny an application for a license, or revoke or suspend a license after it has been granted, if a

manufactured home dealer does not meet the following guidelines and restrictions:

1. A display area for manufactured homes which is easily accessible, with sufficient parking for the public;

2. An office for conducting business where the books, records, and files are kept, with access to a restroom for the public;

3. Place of business which meets all zoning occupancy and other requirements of the appropriate local government and regular occupancy by a person, firm, or corporation engaged in the business of selling manufactured homes; and

4. Place of business which is separate and apart from any other dealer's location.

C. The Commission shall deny an application for a license, or revoke or suspend a license after it has been granted, if a manufactured home installer:

1. Installs or attempts to install a manufactured home in a manner that is not in compliance with installation standards as set by the Commission pursuant to rule; or

2. Violates or fails to comply with any applicable rule as promulgated by the Commission concerning manufactured home installers.

D. The Commission shall deny an application for a license, or revoke or suspend a license after it has been granted, if a manufactured home manufacturer violates or fails to comply with any applicable rule as promulgated by the Commission concerning manufactured home manufacturers.

E. The Commission shall deny an application for a license by a motor vehicle manufacturer or factory if the application is for the purpose of selling used motor vehicles to any retail consumer in the state, other than through its retail franchised dealers, or acting as a broker between a seller and a retail buyer. This subsection does not prohibit a manufacturer from selling used motor vehicles where the retail customer is a nonprofit organization or a federal, state, or local government or agency. This subsection does not prohibit a manufacturer from providing information to a consumer for the purpose of marketing or facilitating the sale of used motor

vehicles or from establishing a program to sell or offer to sell used motor vehicles through the manufacturer's retail franchised dealers as provided for in ~~Section~~ Sections 561 et seq. through 580.2 of this title. This subsection shall not prevent a factory from obtaining a wholesale used motor vehicle dealer's license or the factory's financing subsidiary from obtaining a wholesale used motor vehicle dealer's license.

F. If the Commission denies issuance of a license the Commission shall provide the grounds for the action to the applicant in writing and allow the applicant sixty (60) days to resolve any issues that are the grounds for the action.

G. Each of the aforementioned grounds for suspension, revocation, or denial of issuance or renewal of license shall also constitute a violation of ~~Section~~ Sections 581 et seq. through 588 of this title, unless the person involved has been tried and acquitted of the offense constituting such grounds.

The suspension, revocation or refusal to issue or renew a license or the imposition of any other penalty by the Commission shall be in addition to any penalty which might be imposed upon any licensee upon a conviction at law for any violation of ~~Section~~ Sections 581 et seq. through 588 of this title.

SECTION 2. This act shall become effective November 1, 2009.

Passed the House of Representatives the 26th day of February,  
2009.

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Presiding Officer of the House of  
Representatives

Passed the Senate the 7th day of April, 2009.

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Presiding Officer of the Senate