

**ESB 409**

**THE HOUSE OF REPRESENTATIVES**  
**Wednesday, April 8, 2009**

**ENGROSSED**  
**Senate Bill No. 409**  
**As Amended**

ENGROSSED SENATE BILL NO. 409 - By: JOHNSON (MIKE) of the Senate and JACKSON of the House.

( motor vehicles - licenses - effective date )

1       SECTION 1.   AMENDATORY   47 O.S. 2001, Section 564, is amended to read as  
2 follows:  
3       Section 564. A. It shall be unlawful for any person, firm, association, corporation or  
4 trust to engage in business as, or serve in the capacity of, or act as a motor vehicle dealer,  
5 or motor vehicle salesperson, or manufacturer or distributor of new motor vehicles, or  
6 factory branch, distributor branch or factory representative or distributor representative,  
7 as such, in this state without first obtaining a license therefor as provided for by law.  
8 Any person, firm, association, corporation or trust engaging in more than one of such  
9 capacities or having more than one place where such business is carried on or conducted  
10 shall be required to obtain and hold a current license for each thereof. Provided that, a  
11 new motor vehicle dealer's license shall authorize one person to sell without a  
12 salesperson's license in the event such person shall be the owner of a proprietorship, or

1 the person designated as principal in the dealer's franchise or the managing officer or  
2 one partner if no principal person is named in the franchise.

3 B. Applications for licenses required to be obtained under provisions of Section 561  
4 et seq. of this title shall be verified by the oath or affirmation of the applicant and shall  
5 be on forms prescribed by the Oklahoma Motor Vehicle Commission and furnished to  
6 such applicants, and shall contain such information as the Commission deems necessary  
7 to enable it to fully determine the qualifications and eligibility of the several applicants  
8 to receive the license or licenses applied for. The Commission shall require in such  
9 application, or otherwise, information relating to the applicant's financial standing, the  
10 applicant's business integrity, whether the applicant has an established place of business  
11 and is primarily engaged in the pursuit, avocation or business for which a license, or  
12 licenses, are applied for, and whether the applicant is able to properly conduct the  
13 business for which a license, or licenses, are applied for, and such other pertinent  
14 information consistent with the safeguarding of the public interest and the public  
15 welfare. All such applications for license or licenses shall be accompanied by the  
16 appropriate fee or fees therefor in accordance with the schedule thereof hereinafter set  
17 out. In the event any such application is denied and the license applied for is not issued,  
18 the entire license fee shall be returned to the applicant. All licenses issued under the  
19 provisions of Section 561 et seq. of this title shall expire on June 30, following the date of  
20 issue and shall be nontransferable. All applications for renewal of a license for a new  
21 motor vehicle dealer, salesperson, manufacturer, distributor or manufacturer's or  
22 distributor's representative shall be submitted by June 1 of each year, and such license

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

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

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

11 1. For each factory branch or distributor branch, ~~Two Hundred Dollars (\$200.00)~~  
12 Four Hundred Dollars (\$400.00) initial fee with annual renewal fee of ~~One Hundred~~  
13 ~~Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00);

14 2. For each manufacturer or distributor of new motor vehicles, ~~Two Hundred~~  
15 ~~Dollars (\$200.00)~~ Four Hundred Dollars (\$400.00) initial fee with annual renewal fee of  
16 ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars (200.00);

17 3. For each factory representative or distributor representative, ~~Sixty Dollars~~  
18 ~~(\$60.00)~~ One Hundred Dollars (\$100.00) annually;

19 4. For each new motor vehicle dealer, initial fee of ~~Two Hundred Dollars (\$200.00)~~  
20 Four Hundred Dollars (\$400.00) per franchise sold at each location licensed, with an  
21 annual renewal fee of ~~Sixty Dollars (\$60.00)~~ One Hundred Dollars (\$100.00) per  
22 franchise sold at each location per year; and

1           5. For each salesperson, ~~Ten Dollars (\$10.00)~~ Twenty-five Dollars (\$25.00) renewed  
2 annually.

3           D. The licenses issued to each new motor vehicle dealer, manufacturer, distributor,  
4 factory branch, distributor branch or representative, if a corporation, shall specify the  
5 location of the factory, office or branch thereof. In case such location is changed, the  
6 Commission may endorse the change of location on the license without charge unless the  
7 change of address triggers a relocation of a new motor vehicle dealer pursuant to the  
8 provisions of Section 578.1 of this title. The license of each dealer shall be posted in a  
9 conspicuous place in the dealer's place or places of business.

10           Every motor vehicle salesperson, factory representative or distributor  
11 representative if an individual shall physically possess the license when engaged in  
12 business, and shall display same upon request. The name of the employer of such  
13 salesperson, factory representative or distributor representative shall be stated on the  
14 license and, in case of a change of employer, the holder of such license shall immediately  
15 mail same to the Commission for its endorsement of such change thereon. The  
16 Commission shall endorse each such change of employer on licenses without charge.

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

18           COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,  
19 dated 04-07-09 - DO PASS, As Amended.