

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 HOUSE BILL 2705

By: Vaughan

4
5
6 AS INTRODUCED

7 An Act relating to motor vehicles; creating Oklahoma
8 Used Motor Vehicle Education and Recovery Commission;
9 providing for appointment of members; providing for
10 length of terms and appointment if vacancy occurs;
11 requiring oath of office; providing for payment and
12 reimbursement of members; requiring the Commission to
13 appoint Executive Director; providing for term;
14 requiring Commission to fix salary and duties;
15 authorizing Commission to hire employees and incur
16 expenses; providing Commission with rulemaking
17 authority; establishing Commission powers and duties;
18 requiring reports to be filed; limiting liability of
19 the Oklahoma Used Motor Vehicle Education and
20 Recovery Fund; establishing Oklahoma Used Motor
21 Vehicle Education and Recovery Fund; establishing
22 source of monies into the fund; authorizing certain
23 investments; directing deposit of interest or
24 dividends; authorizing expenditures; providing for
use of funds to reimburse specified individuals;
establishing authority of Commission; requiring
notification under certain circumstances; providing
Commission with certain powers; providing parties
certain rights; requiring notification of Oklahoma
Used Motor Vehicle and Parts Commission under certain
circumstances; providing for appeal under
Administrative Procedures Act; authorizing Oklahoma
Used Motor Vehicle Education and Recovery Commission
to order compensation from fund; providing for appeal
from decision; establishing limit on amount of
payment which can be requested from the fund;
providing for assignment of rights to judgment for
purposes of subrogation; establishing claimant
priority over fund under certain circumstances;
placing limit on amount of certain claims; providing
for payment of claims when monies in fund are

1 insufficient; authorizing hearing for revocation of
2 license under certain circumstances; establishing
3 funds as excess funds; authorizing expenditure of
4 excess funds under specified circumstances; amending
5 47 O.S. 2011, Section 583, which relates to licensing
6 of used motor vehicle dealers; providing exception;
7 establishing new fees and directing deposit of fees;
8 limiting requirement to procure and file bond to
9 specified license applicants; providing for
10 codification; providing an effective date; and
11 declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 589 of Title 47, unless there is
created a duplication in numbering, reads as follows:

A. There is hereby created the Oklahoma Used Motor Vehicle
Education and Recovery Commission, to be composed of nine (9)
members who shall be selected as follows:

1. One member shall be the Chair of the Oklahoma Used Motor
Vehicle and Parts Commission, who shall serve as chair of the
Oklahoma Used Motor Vehicle Education and Recovery Commission;

2. One member shall be the vice-chair of the Oklahoma Used
Motor Vehicle and Parts Commission, who shall serve as vice-chair of
the Oklahoma Used Motor Vehicle Education and Recovery Commission;

3. One member shall be the chair of the Oklahoma Motor Vehicle
Commission or the chair's designee;

1 4. One member shall be the Insurance Commissioner of the State
2 of Oklahoma who shall serve as an ex officio member, or the
3 Commissioner's designee;

4 5. One member shall be the State Treasurer of the State of
5 Oklahoma, who shall serve as an ex officio member, or the
6 Treasurer's designee; and

7 6. Four members shall be appointed by the Governor, by and with
8 the advice and consent of the Senate, and of those:

9 a. one shall have been licensed as a dealer of used motor
10 vehicles for the ten-year period immediately preceding
11 appointment,

12 b. two shall have been employed by or licensed as a
13 dealer for the purpose of auction of used motor
14 vehicles for the ten-year period immediately preceding
15 appointment, and

16 c. one shall have been licensed as a wholesale used motor
17 vehicle dealer.

18 B. Members appointed by the Governor shall serve for terms of
19 six (6) years; provided, of those members initially appointed to the
20 Commission with terms beginning November 1, 2013, one shall be
21 appointed for a two-year term, one shall be appointed for a four-
22 year term, and one shall be appointed for a six-year term, as
23 designated by the Governor.

1 C. In the event of any vacancy on the Commission, the vacancy
2 shall be filled by appointment in the same manner as provided for
3 the original appointment for the unexpired portion of the term.
4 Thereafter, the vacancy shall be filled by appointment of a
5 qualified successor for a term of six (6) years. Members shall
6 serve until a successor is appointed and qualified.

7 D. The chair and each member of the Commission shall take and
8 subscribe to the oath of office required of public officers.

9 E. The chair and members of the Commission shall receive Thirty
10 Dollars (\$30.00) for each and every day actually and necessarily
11 spent in attending the meetings of the Commission, and shall be
12 reimbursed for subsistence and traveling expenses incurred in the
13 performance of their duties hereunder as provided by the State
14 Travel Reimbursement Act; provided that such meeting payments shall
15 not exceed the sum of Six Hundred Dollars (\$600.00) per annum to any
16 one person.

17 F. 1. a. The Commission shall appoint a qualified person to
18 serve as Executive Director who shall have ten (10)
19 years' experience in the automotive industry and have
20 had sufficient management and organizational
21 experience to direct the functions of the Commission.

22 b. The Executive Director shall be appointed for a term
23 of six (6) years, and shall not be subject to
24 dismissal or removal without cause.

1 c. The Commission shall fix the salary and define and
2 prescribe the duties of the Executive Director.

3 d. The Executive Director shall be in charge of the
4 Commission's office, shall devote such time as
5 necessary to fulfill the duties thereof, and, before
6 entering upon these duties, shall take and subscribe
7 to the oath of office.

8 2. The Commission may employ such clerical, technical, legal
9 and other help and incur such expenses as may be necessary for the
10 proper discharge of its duties under this section and Sections 3, 4,
11 5 and 6 of this act.

12 G. 1. The Commission is hereby vested with the powers and
13 duties necessary and proper to enable it to fully and effectively
14 carry out the provisions and objectives of this section and Sections
15 3 through 5 of this act, and is hereby authorized and empowered,
16 pursuant to the Administrative Procedures Act, to make and enforce
17 all reasonable rules and to adopt and prescribe all forms necessary
18 to accomplish said purpose.

19 2. The Commission's powers and duties shall include the
20 following:

- 21 a. to administer the Oklahoma Used Motor Vehicle
22 Education and Recovery Fund, and
23 b. to investigate complaints, develop criteria for
24 eligibility, determine eligibility and after November

1 1, 2015, order compensation to reimburse any person,
2 excluding any financial institution or party extending
3 floor plans or financing for the dealer's inventory,
4 who has suffered any loss or damage by reason of
5 issuance of a certificate of title by a used motor
6 vehicle dealer, used motor vehicle salesperson, used
7 motor vehicle dealer conducting an auction or
8 wholesale used motor vehicle dealer.

9 3. At the close of each fiscal year, the Commission shall file
10 with the Governor and the State Auditor and Inspector a true and
11 correct report of all fees and charges collected and received by it
12 during the preceding fiscal year.

13 4. All expenses incurred by the Commission in carrying out the
14 provisions of this section and Sections 3 through 5 of this act
15 including, but not limited to, per diem, wages, salaries, rent,
16 postage, advertising, supplies, bond premiums, travel and
17 subsistence for the Commissioners, the Executive Director,
18 employees, and legal counsel, and printing and utilities, shall be a
19 proper charge against the fund; provided, that in no event shall
20 liability ever accrue hereunder against the state in any sum
21 whatsoever, or against the Oklahoma Used Motor Vehicle Education and
22 Recovery Fund, in excess of the ninety percent (90%) of the fees and
23 charges deposited therein.

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 589.1 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 A. There is hereby created in the State Treasury a revolving
5 fund for the Oklahoma Used Motor Vehicle Education and Recovery
6 Commission to be designated "Oklahoma Motor Vehicle Education and
7 Recovery Fund". The fund shall consist of monies received by the
8 Oklahoma Used Motor Vehicle Education and Recovery Commission as
9 fees assessed for the Oklahoma Used Motor Vehicle Education and
10 Recovery Fund under the provisions of this act. The revolving fund
11 shall be a continuing fund not subject to fiscal year limitations
12 and shall be under the administrative direction of the Oklahoma Used
13 Motor Vehicle Education and Recovery Commission. The Oklahoma Used
14 Motor Vehicle Education and Recovery Commission may invest all or
15 part of the monies of the fund in securities offered through the
16 "Oklahoma State Treasurer's Cash Management Program". Any interest
17 or dividends accruing from the securities and any monies generated
18 at the time of redemption of the securities shall be deposited in
19 the Oklahoma Used Motor Vehicle Education and Recovery Fund. All
20 monies accruing to the credit of the fund are hereby appropriated
21 and may be budgeted and expended by the Oklahoma Used Motor Vehicle
22 Education and Recovery Commission for the purposes specified in this
23 act. Expenditures from said fund shall be made pursuant to the laws
24 of this state and the statutes relating to the Commission, and

1 without legislative appropriation. Warrants for expenditures from
2 said fund shall be drawn by the State Treasurer, based on claims
3 signed by an authorized employee or employees of the Commission and
4 approved for payment by the Director of the Office of State Finance.

5 B. After November 1, 2015, monies in the fund shall be used to
6 reimburse any person who has been awarded compensation by the
7 Oklahoma Used Motor Vehicle Education and Recovery Commission
8 pursuant to Section 4 of this act, for having suffered any loss or
9 damage by any person by reason of issuance of a certificate of title
10 by a used motor vehicle dealer, used motor vehicle salesperson, used
11 motor vehicle auction or wholesale used motor vehicle dealer.

12 SECTION 3. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 589.2 of Title 47, unless there
14 is created a duplication in numbering, reads as follows:

15 A. The Oklahoma Used Motor Vehicle Education and Recovery
16 Commission shall investigate, develop criteria for eligibility,
17 determine eligibility for, and order compensation from the Oklahoma
18 Used Motor Vehicle Education and Recovery Fund in accordance with
19 the provisions of the Administrative Procedures Act, Section 250 et
20 seq. of Title 75 of the Oklahoma Statutes. If the licensee against
21 whom the complaint is made is a used motor vehicle salesperson, the
22 Commission shall in like manner also notify the person, firm,
23 association, corporation or trust with whom associated. The
24 Commission shall have the power to compel the production of records

1 and papers bearing upon the complaints. The Commission shall have
2 the power to subpoena and bring before it any person in this state,
3 or take testimony of any such person by deposition, with the same
4 fees and mileage and in the same manner as prescribed by law in
5 judicial procedure before courts of the state in civil cases. Any
6 party to the hearing shall have the right to the attendance of
7 witnesses in his behalf upon designating to the Commission the
8 person or persons sought to be subpoenaed. If the Commission shall
9 determine that any licensee is guilty of violation of any of the
10 provisions of this act, notification shall be provided to the
11 Oklahoma Used Motor Vehicle and Parts Commission and the license of
12 the licensee may be suspended or revoked, pursuant to a hearing by
13 the Oklahoma Used Motor Vehicle and Parts Commission as authorized
14 in this title.

15 B. An appeal from any decision of the Oklahoma Used Motor
16 Vehicle Education and Recovery Commission shall be taken in
17 accordance with Article II of the Administrative Procedures Act,
18 Section 308a et seq. of Title 75 of the Oklahoma Statutes.

19 SECTION 4. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 589.3 of Title 47, unless there
21 is created a duplication in numbering, reads as follows:

22 A. The Oklahoma Used Motor Vehicle Education and Recovery
23 Commission may order compensation from the Oklahoma Used Motor
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1 Vehicle Education and Recovery Fund in accordance with its authority
2 under Sections 1 and 3 of this act.

3 B. An appeal from the decision of the Commission to order
4 compensation shall be taken in accordance with Article II of the
5 Administrative Procedures Act, Section 308a et seq. of Title 75 of
6 the Oklahoma Statutes.

7 SECTION 5. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 589.4 of Title 47, unless there
9 is created a duplication in numbering, reads as follows:

10 A. Any person who meets all of the conditions prescribed by the
11 Used Motor Vehicle Education and Recovery Commission pursuant to its
12 authority under Sections 1 and 3 of this act, may apply to the
13 Commission for payment from the Oklahoma Used Motor Vehicle
14 Education and Recovery Fund, in an amount equal to actual or
15 compensatory damages, or Fifteen Thousand Dollars (\$15,000.00),
16 whichever is less. For purposes of this subsection, attorney fees
17 and costs shall not be considered as or included in actual or
18 compensatory damages.

19 B. Upon receipt by the claimant of the payment from the
20 Oklahoma Used Motor Vehicle Education and Recovery Fund, the
21 claimant shall assign the claimant's right, title and interest in
22 that portion of the judgment to the Commission which shall thereupon
23 be subrogated up to the amount actually paid by the fund to the
24 claimant. Upon suit to collect upon a judgment, the claimant shall

1 have priority over the fund. Any amount subsequently recovered on a
2 judgment by the Commission, to the extent of the Commission's right,
3 title and interest therein, shall be used to reimburse the Oklahoma
4 Used Motor Vehicle Education and Recovery Fund.

5 C. Payments for claims arising out of the same transaction
6 which constitutes a person's cause of action based upon a violation
7 under Sections 584 and 585 of Title 47 of the Oklahoma Statutes
8 shall be limited in the aggregate of Fifty Thousand Dollars
9 (\$50,000.00) irrespective of the number of claimants or used motor
10 vehicles involved in the transaction.

11 D. Payments for claims based upon judgments against any one
12 licensee shall not exceed in the aggregate Fifty Thousand Dollars
13 (\$50,000.00).

14 E. If at any time the monies in the Oklahoma Used Motor Vehicle
15 Education and Recovery Fund are insufficient to satisfy any valid
16 claim, or portion thereof, the Commission shall satisfy such unpaid
17 claim or portion thereof as soon as a sufficient amount of money has
18 been deposited in the fund by collecting a special levy from the
19 members of such fund in an amount not to exceed Ten Dollars (\$10.00)
20 each fiscal year. If the additional levy is not sufficient to pay
21 all outstanding claims against the fund, then such claims shall be
22 paid as the money becomes available. Where there is more than one
23 such claim outstanding, such claims shall be paid in the order that
24 they were made.

1 F. The license of said licensee, upon the payment of any amount
2 from the Oklahoma Used Motor Vehicle Education and Recovery Fund for
3 satisfaction of a claim against a licensee, may be revoked pursuant
4 to a hearing by the Oklahoma Used Motor Vehicle and Parts Commission
5 as authorized in this title. The license shall not be considered
6 for reinstatement until such person has repaid in full, plus
7 interest at the rate of seven percent (7%) a year, the amount paid
8 from the Oklahoma Used Motor Vehicle Education and Recovery Fund for
9 satisfaction of the claim against the person.

10 SECTION 6. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 589.5 of Title 47, unless there
12 is created a duplication in numbering, reads as follows:

13 At any time when the total amount of monies deposited in the
14 Oklahoma Used Motor Vehicle Education and Recovery Fund exceeds Five
15 Hundred Thousand Dollars (\$500,000.00), the Oklahoma Used Motor
16 Vehicle Education and Recovery Commission in its discretion may
17 expend such excess funds in excess of Five Hundred Thousand Dollars
18 (\$500,000.00) each fiscal year for the following purposes:

19 1. To promote the advancement of education in the field of used
20 motor vehicle sales for the benefit of the general public and those
21 licensed by the Oklahoma Used Motor Vehicle and Parts Commission,
22 but such promotion shall not be construed to allow advertising of
23 this profession; and
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1 2. To underwrite educational seminars and other forms of
2 educational projects for the benefit of used motor vehicle and parts
3 licensees.

4 SECTION 7. AMENDATORY 47 O.S. 2011, Section 583, is
5 amended to read as follows:

6 Section 583. A. 1. It shall be unlawful and constitute a
7 misdemeanor for any person to engage in business as, or serve in the
8 capacity of, or act as a used motor vehicle dealer, used motor
9 vehicle salesperson, wholesale used motor vehicle dealer,
10 manufactured home dealer, manufactured home salesperson,
11 manufactured home installer, or manufactured home manufacturer
12 selling directly to a licensed manufactured home dealer in this
13 state without first obtaining a license or following other
14 requirements therefor as provided in this section.

15 2. a. Any person engaging, acting, or serving in the capacity
16 of a used motor vehicle dealer and/or a used motor
17 vehicle salesperson, a manufactured home dealer,
18 manufactured home salesperson, a manufactured home
19 installer, or a manufactured home manufacturer, or
20 having more than one place where any such business, or
21 combination of businesses, is carried on or conducted
22 shall be required to obtain and hold a current license
23 for each such business, in which engaged.

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1 b. A used motor vehicle dealer's license shall authorize
2 one person to sell without a salesperson's license in
3 the event such person shall be the owner of a
4 proprietorship, or the person designated as principal
5 in the dealer's franchise or the managing officer or
6 one partner if no principal person is named in the
7 franchise.

8 c. If after a hearing in accordance with the provisions
9 of Section 585 of this title, the Oklahoma Used Motor
10 Vehicle and Parts Commission shall find any person
11 installing a mobile or manufactured home to be in
12 violation of any of the provisions of this act, such
13 person may be subject to an administrative fine of not
14 more than Five Hundred Dollars (\$500.00) for each
15 violation. Each day a person is in violation of this
16 act may constitute a separate violation. The maximum
17 fine shall not exceed One Thousand Dollars
18 (\$1,000.00). All administrative fines collected
19 pursuant to the provisions of this subparagraph shall
20 be deposited in the fund established in Section 582 of
21 this title. Administrative fines imposed pursuant to
22 this subparagraph may be enforceable in the district
23 courts of this state.

1 d. A salesperson's license may not be issued under a
2 wholesale used motor vehicle dealer's license.

3 3. Any person except persons penalized by administrative fine
4 violating the provisions of this section shall, upon conviction, be
5 fined not to exceed Five Hundred Dollars (\$500.00). A second or
6 subsequent conviction shall be punished by a fine not to exceed One
7 Thousand Dollars (\$1,000.00); provided that each day such unlicensed
8 person violates this section shall constitute a separate offense,
9 and any vehicle involved in a violation of this subsection shall be
10 considered a separate offense.

11 B. 1. Applications for licenses required to be obtained under
12 provisions of this act, Section 581 et seq. of this title, which
13 creates the Oklahoma Used Motor Vehicle and Parts Commission shall
14 be verified by the oath or affirmation of the applicant and shall be
15 on forms prescribed by the Commission and furnished to the
16 applicants, and shall contain such information as the Commission
17 deems necessary to enable it to fully determine the qualifications
18 and eligibility of the several applicants to receive the license or
19 licenses applied for. The Commission shall require in the
20 application, or otherwise, information relating to:

- 21 a. the applicant's financial standing,
- 22 b. the applicant's business integrity,
- 23 c. whether the applicant has an established place of
24 business and is engaged in the pursuit, avocation, or

1 business for which a license, or licenses, is applied
2 for,

3 d. whether the applicant is able to properly conduct the
4 business for which a license, or licenses, is applied
5 for, and

6 e. such other pertinent information consistent with the
7 safeguarding of the public interest and the public
8 welfare.

9 2. All applications for license or licenses shall be
10 accompanied by the appropriate fee or fees in accordance with the
11 schedule hereinafter provided. In the event any application is
12 denied and the license applied for is not issued, the entire license
13 fee shall be returned to the applicant.

14 3. All bonds and licenses issued under the provisions of this
15 act shall expire on December 31, following the date of issue and
16 shall be nontransferable. All applications for renewal of licenses
17 should be submitted by November 1 of each year, and licenses shall
18 be issued by January 10. If applications have not been made for
19 renewal of licenses, such licenses shall expire on December 31 and
20 it shall be illegal for any person to represent himself or herself
21 and act as a dealer thereafter. Tag agents shall be notified not to
22 accept dealers' titles until such time as licenses have been issued.

23 4. A used motor vehicle salesperson's license shall permit the
24 licensee to engage in the activities of a used motor vehicle

1 salesperson. Salespersons shall not be allowed to sell vehicles
2 unless applications, bonds, and fees are on file with the Commission
3 and the motor vehicle salesperson's or temporary salesperson's
4 license issued. A temporary salesperson's license, salesperson's
5 renewal or reissue of salesperson's license shall be deemed to have
6 been issued when the appropriate application, bond, and fee have
7 been properly addressed and mailed to the Commission.

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

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

13 1. For each used motor vehicle dealer's license and each
14 wholesale used motor vehicle dealer's license, Three Hundred Dollars
15 (\$300.00). If a used motor vehicle dealer or a wholesale used motor
16 vehicle dealer has once been licensed by the Commission in the
17 classification for which he or she applies for a renewal of the
18 license, the fee for each subsequent renewal shall be One Hundred
19 Fifty Dollars (\$150.00); provided, if an applicant holds a license
20 to conduct business as an automotive dismantler and parts recycler
21 issued pursuant to Section 591.1 et seq. of this title, the initial
22 fee shall be One Hundred Dollars (\$100.00) and the renewal fee shall
23 be One Hundred Dollars (\$100.00). If an applicant is applying
24 simultaneously for a license under this paragraph and a license

1 under paragraph 1 of Section 591.5 of this title, the initial
2 application fee shall be Two Hundred Dollars (\$200.00). For the
3 reinstatement of a used motor vehicle dealer's license after
4 revocation for cancellation or expiration of insurance pursuant to
5 subsection F of this section, the fee shall be One Hundred Dollars
6 (\$100.00);

7 2. For a used motor vehicle dealer's license, for each place of
8 business in addition to the principal place of business, One Hundred
9 Dollars (\$100.00);

10 3. For each used motor vehicle salesperson's license and
11 renewal, Twenty-five Dollars (\$25.00), and for a transfer, Twenty-
12 five Dollars (\$25.00);

13 4. For each holder who possesses a valid new motor vehicle
14 dealer's license from the Oklahoma Motor Vehicle Commission, One
15 Hundred Dollars (\$100.00) shall be the initial fee for a used motor
16 vehicle license and the fee for each subsequent renewal shall be One
17 Hundred Dollars (\$100.00);

18 5. a. For each manufactured home dealer's license, Three
19 Hundred Dollars (\$300.00), and for each place of
20 business in addition to the principal place of
21 business, Two Hundred Dollars (\$200.00).

22 b. For each renewal of a manufactured home dealer's
23 license, and renewal for each place of business in
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1 addition to the principal place of business, One
2 Hundred Fifty Dollars (\$150.00);

3 6. a. For each manufactured home installer's license, Two
4 Hundred Dollars (\$200.00).

5 b. For each renewal of a manufactured home installer's
6 license, Two Hundred Dollars (\$200.00);

7 7. a. For each manufactured home manufacturer selling
8 directly to a licensed manufactured home dealer in
9 this state, Seven Hundred Fifty Dollars (\$750.00).

10 b. For each renewal of a manufactured home manufacturer's
11 license, Seven Hundred Fifty Dollars (\$750.00); and

12 8. For each manufactured home salesperson's license or renewal
13 thereof, Twenty-five Dollars (\$25.00), and for each transfer,
14 Twenty-five Dollars (\$25.00).

15 D. 1. The license issued to each used motor vehicle dealer,
16 each wholesale used motor vehicle dealer and each manufactured home
17 dealer shall specify the location of the place of business. If the
18 business location is changed, the Oklahoma Used Motor Vehicle and
19 Parts Commission shall be notified immediately of the change and the
20 Commission may endorse the change of location on the license. The
21 fee for a change of location shall be One Hundred Dollars (\$100.00),
22 and the fee for a change of name, Twenty-five Dollars (\$25.00). The
23 license of each licensee shall be posted in a conspicuous place in
24 the place or places of business of the licensee.

1 2. The license issued to each manufactured home installer, and
2 each manufactured home manufacturer shall specify the location of
3 the place of business. If the business location is changed, the
4 Oklahoma Used Motor Vehicle and Parts Commission shall be notified
5 immediately of the change and the Commission may endorse the change
6 of location on the license without charge. The license of each
7 licensee shall be posted in a conspicuous place in the place or
8 places of business of the licensee.

9 3. Every used motor vehicle salesperson shall have the license
10 upon his or her person when engaged in business, and shall display
11 same upon request. The name of the employer of the salesperson
12 shall be stated on the license and if there is a change of employer,
13 the license holder shall immediately mail the license to the
14 Commission for its endorsement of the change thereon. There shall
15 be no charge for endorsement of change of employer on the license or
16 penalty for not having a license upon his or her person.

17 4. Every manufactured home installer shall have the license
18 available for inspection at the primary place of business of the
19 licensee. This license shall be valid for the licensee and all of
20 the employees of the licensee. Any person who is not an employee of
21 the licensee must obtain a separate manufactured home installer
22 license regardless of whether such person is acting in the capacity
23 of a contractor or subcontractor.

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1 E. 1. Except as provided in subsection F of this section, each
2 applicant for a license under this subsection shall procure and file
3 a bond as provided herein.

4 2. a. Each applicant for a used motor vehicle dealer's
5 license shall procure and file with the Commission a
6 good and sufficient bond in the amount of Fifteen
7 Thousand Dollars (\$15,000.00). Each new applicant for
8 a used motor vehicle dealer's license for the purpose
9 of conducting a used motor vehicle auction shall
10 procure and file with the Commission a good and
11 sufficient bond in the amount of Fifty Thousand
12 Dollars (\$50,000.00). An applicant who intends to
13 conduct a used motor vehicle auction who provides
14 proof that the applicant has check and title insurance
15 in an amount not less than Fifty Thousand Dollars
16 (\$50,000.00) shall only be required to have a bond in
17 the amount of Twenty-five Thousand Dollars
18 (\$25,000.00).

19 b. Each new applicant for a used motor vehicle dealer
20 license for the purpose of conducting a used motor
21 vehicle business which will consist primarily of non-
22 auction consignment sales which are projected to equal
23 Five Hundred Thousand Dollars (\$500,000.00) or more in
24 gross annual sales shall procure and file with the

1 Commission a good and sufficient bond in the amount of
2 Fifty Thousand Dollars (\$50,000.00). The Commission
3 shall prescribe by rule the method of operation of the
4 non-auction consignment dealer in order to properly
5 protect the interests of all parties to the
6 transaction and to provide sanctions against dealers
7 who fail to comply with the rules.

8 c. Each applicant for a wholesale used motor vehicle
9 dealer's license shall procure and file with the
10 Commission a good and sufficient bond in the amount of
11 Twenty-five Thousand Dollars (\$25,000.00).

12 d. Any used motor vehicle dealer who, for the purpose of
13 being a rebuilder, applies for a rebuilder
14 certificate, as provided in Section 591.5 of this
15 title, whether as a new application or renewal, shall
16 procure and file with the Commission a good and
17 sufficient bond in the amount of Fifteen Thousand
18 Dollars (\$15,000.00), in addition to any other bonds
19 required.

20 e. Each applicant for a manufactured home dealer's
21 license shall procure and file with the Commission a
22 good and sufficient bond in the amount of Thirty
23 Thousand Dollars (\$30,000.00).

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1 f. Each manufactured home manufacturing facility
2 selling directly to a licensed manufactured home
3 dealer in this state shall procure and file with the
4 Commission a good and sufficient bond in the amount
5 of Thirty Thousand Dollars (\$30,000.00). In
6 addition to all other conditions and requirements
7 set forth herein, the bond shall require the
8 availability of prompt and full warranty service by
9 the manufacturer to comply with all warranties
10 expressed or implied in connection with each
11 manufactured home which is manufactured for resale
12 in this state.

13 g. The bond shall be approved as to form by the Attorney
14 General and conditioned that the applicant shall not
15 practice fraud, make any fraudulent representation, or
16 violate any of the provisions of this act in the
17 conduct of the business for which the applicant is
18 licensed. One of the purposes of the bond is to
19 provide reimbursement for any loss or damage suffered
20 by any person by reason of issuance of a certificate
21 of title by a used motor vehicle dealer, a wholesale
22 used motor vehicle dealer, or a manufactured home
23 dealer.
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1 ~~2.~~ 3. If a motor vehicle dealer has a valid license issued by
2 the Oklahoma Motor Vehicle Commission, then the bond as required by
3 this subsection shall be waived.

4 ~~3.~~ 4. Each applicant for a used motor vehicle salesperson's
5 license shall procure and file with the Commission a good and
6 sufficient bond in the amount of One Thousand Dollars (\$1,000.00).
7 The bond shall be approved as to form by the Attorney General and
8 conditioned that the applicant shall perform duties as a used motor
9 vehicle salesperson without fraud or fraudulent representation and
10 without violating any provisions of this act.

11 ~~4.~~ 5. The bonds as required by this section shall be maintained
12 throughout the period of licensure. Should the bond be canceled for
13 any reason, the license shall be revoked as of the date of
14 cancellation unless a new bond is furnished prior to such date.

15 F. 1. After November 1, 2012, each applicant for a license
16 shall pay the following additional, nonrefundable fees, to be
17 deposited in the Oklahoma Used Motor Vehicle Education and Recovery
18 Fund:

19 a. Two Hundred Dollars (\$200.00) for a used motor vehicle
20 dealer's license,

21 b. One Hundred Dollars (\$100.00) for a used motor vehicle
22 salesperson's license,

23 c. Three Hundred Dollars (\$300.00) for a wholesale used
24 motor vehicle dealer's license, and

1 d. Five Hundred Dollars (\$500.00) for a used motor
2 vehicle dealer's license for the purpose of conducting
3 an auction.

4 2. After November 1, 2015, excluding a used motor vehicle
5 dealer utilizing a license for the purpose of conducting an auction,
6 no applicant for a renewal license as a used motor vehicle dealer,
7 used motor vehicle wholesale dealer or used motor vehicle
8 salesperson, shall be required to procure and file a bond as
9 provided in subsection E of this section. Each applicant for an
10 original license pursuant to this subsection, shall be required to
11 procure and file a bond as provided in subsection E of this section
12 for each of the first three (3) consecutive years after the original
13 license is obtained.

14 G. Any used motor vehicle dealer or wholesale used motor
15 vehicle dealer is required to furnish and keep in force a minimum of
16 Twenty-five Thousand Dollars (\$25,000.00) of single liability
17 insurance coverage on all vehicles offered for sale or used in any
18 other capacity in demonstrating or utilizing the streets and
19 roadways in accordance with the financial responsibility laws of
20 this state.

21 ~~G.~~ H. Any manufactured home dealer is required to furnish and
22 keep in force a minimum of One Hundred Thousand Dollars
23 (\$100,000.00) of garage liability or general liability with products
24 and completed operations insurance coverage.

1 ~~H.~~ I. Any manufactured home installer is required to furnish
2 and keep in force a minimum of Twenty-five Thousand Dollars
3 (\$25,000.00) of general liability with products and completed
4 operations insurance coverage.

5 SECTION 8. This act shall become effective July 1, 2012.

6 SECTION 9. It being immediately necessary for the preservation
7 of the public peace, health and safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval.

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