

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 1751

By: Sanders

7 COMMITTEE SUBSTITUTE

8 An Act relating to motor vehicles; amending 47 O.S.  
9 2011, Section 581, which relates to used motor  
10 vehicles; modifying definition; amending 47 O.S.  
11 2011, Sections 583 and 584, which relate to used  
12 motor vehicle licenses; providing for a restricted  
13 manufactured home park dealer license; updating  
14 license provisions to reflect addition; providing  
15 grounds for denial of license; and providing an  
16 effective date.

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

16 SECTION 1. AMENDATORY 47 O.S. 2011, Section 581, is  
17 amended to read as follows:

18 Section 581. As used in Section 581 et seq. of this title:

19 1. "Commission" means the Oklahoma Used Motor Vehicle and Parts  
20 Commission;

21 2. "Compensation" means anything of value including money,  
22 merchandise, rebates on purchases, trading stamps or any other thing  
23 of value;

1           3. "Consignment sale" means the sale of used motor vehicles  
2 belonging to another by a used motor vehicle dealer, whether or not  
3 title is transferred from the consignor to the used motor vehicle  
4 dealer;

5           4. "Factory" means a manufacturer, distributor, factory branch,  
6 distributor branch, factory representative or distributor  
7 representative, which manufactures or distributes vehicle products;

8           5. "Manufactured home" means a residential dwelling in one or  
9 more sections built in accordance with the National Manufactured  
10 Housing Construction and Safety Standards Act of 1974, 42 U.S.C.,  
11 Section 5401, et seq. and rules promulgated pursuant thereto;

12           6. a. "Manufactured home dealer" means any person who, for a  
13 commission or with intent to make a profit or gain of  
14 money or other thing of value, sells, offers to sell,  
15 or attempts to negotiate a sale or exchange of  
16 interest in, new or used manufactured homes, or that  
17 is engaged wholly or in part in the business of  
18 selling any new and unused, or used, or both new and  
19 used manufactured homes. A valid franchise letter as  
20 proof of authorization to sell any new manufactured  
21 home product line or lines shall be attached to the  
22 application for a dealer license to sell manufactured  
23 homes. "Manufactured home dealer" shall include a  
24 manufactured home auction. A manufactured home

1 auction shall mean any person selling more than  
2 twenty-five manufactured homes in an auction or  
3 liquidation format. Only licensed manufactured home  
4 dealers shall be authorized to purchase manufactured  
5 homes at such auctions.

6 b. "Manufactured home dealer" shall not include any  
7 person who sells or contracts for the sale of a  
8 personally titled manufactured home or homes, or any  
9 person acting as an auctioneer who has been engaged by  
10 a seller to direct, conduct, control, or be  
11 responsible for the sale of manufactured homes as a  
12 part of an auction or liquidation of an estate, or any  
13 Oklahoma licensed real estate broker or sales  
14 associate when buying or selling used mobile homes as  
15 a part of a real estate business. No person shall be  
16 considered a manufactured home dealer as to any  
17 manufactured home purchased or acquired by the person  
18 for purposes other than resale; provided, that the  
19 restriction set forth in this sentence shall not  
20 prevent an otherwise qualified person from utilizing a  
21 single manufactured home as a sales office; ~~or.~~

22 c. A holder of a lien on a manufactured home may sell,  
23 exchange, or transfer by lease-purchase the  
24 repossessed manufactured home and shall not be

1 required to be licensed pursuant to this chapter. If  
2 the lienholder contracts with a person or company to  
3 sell the repossessed manufactured home and the person  
4 or company is not an employee, officer or principal of  
5 the lienholder, such person or company shall be  
6 licensed pursuant to this chapter.

7 d. "Manufactured home dealer" shall not include any  
8 person who sells mobile or manufactured homes located  
9 in a mobile or manufactured home park or community;

10 7. "Manufactured home salesperson" means any person who has  
11 been engaged by a manufactured home dealer to buy, sell, exchange,  
12 negotiate, or act as an agent for the purchase, sale, or exchange of  
13 an interest in a manufactured home. A person may not act as a  
14 salesperson nor may a manufactured home dealer employ the  
15 salesperson without applying for a salesperson's license within  
16 thirty (30) days of employment by the manufactured home dealer;

17 8. "Manufactured home installer" means a person who is engaged  
18 in the business of installing or setting up manufactured homes  
19 and/or mobile homes as defined herein;

20 9. "Manufactured home manufacturer" means a person who  
21 manufactures, assembles, and sells new manufactured homes to new  
22 manufactured home retailers for resale in this state;

23 10. "Mobile home" means a residential dwelling fabricated in an  
24 off-site manufacturing facility, designed to be a permanent

1 residence, but which is still transportable, that was built prior to  
2 the enacting of the National Manufactured Housing Construction and  
3 Safety Standards Act of 1974, 42 U.S.C., Section 5401 et seq.;

4 11. "Person" means an individual, business, corporation,  
5 partnership, association, limited liability corporation, trust,  
6 firm, or company or legal entity, but does not include any political  
7 subdivision;

8 12. "Ready for occupancy" means a mobile or manufactured home  
9 which is installed and anchored properly and has utilities connected  
10 to service;

11 13. "Rebuilder" means a used motor vehicle dealer who is  
12 engaged in the business of rebuilding repairable motor vehicles and  
13 who has paid the fee for and been issued a rebuilder certificate as  
14 provided by Section 591.5 of this title;

15 ~~13.~~ 14. "Restricted manufactured home park dealer" means any  
16 person operating a mobile or manufactured home park who, for a  
17 commission or with intent to make a profit or gain of money or other  
18 thing of value, sells, offers to sell, or attempts to negotiate a  
19 sale or exchange of interest in, new or used manufactured homes, or  
20 that is engaged wholly or in part in the business of selling any new  
21 and unused, or used, or both new and used manufactured homes;  
22 provided, every mobile or manufactured home sold pursuant to a  
23 restricted manufactured home park dealer license shall be located in  
24

1 the licensed mobile or manufactured home park and ready for  
2 occupancy;

3 15. "Sale" or "sell" means the act of selling, brokering,  
4 exchanging, exchanging of an interest in, or renting with the option  
5 of purchasing, a new or used manufactured home for commission,  
6 profit, or gain of money or other thing of value;

7 ~~14.~~ 16. "Used motor vehicle" means any motor vehicle, as that  
8 term is defined in the Oklahoma Vehicle License and Registration  
9 Act, which has been sold, bargained, exchanged, given away or the  
10 title thereto transferred from the person who first took title from  
11 the manufacturer, importer, or dealer or agent of the manufacturer  
12 or importer, or so used as to have become what is commonly known as  
13 a "secondhand motor vehicle". In the event of transfer, on the  
14 statement of origin, from the original franchised dealer to any  
15 other dealer or individual other than a franchised dealer of the  
16 same make of vehicle, the vehicle shall be considered a used motor  
17 vehicle and must be titled in the new owner's name;

18 ~~15.~~ 17. "Used motor vehicle auction" means any business other  
19 than salvage pools which regularly engages in the sale or trade, or  
20 negotiates the sale or trade, of used motor vehicles by auction,  
21 whether by open or closed bid or by sale to or purchase by used  
22 motor vehicle dealers or individuals;

23 ~~16.~~ 18. a. "Used motor vehicle dealer" means any person who, for  
24 a commission or with intent to make a profit or gain

1 of money or other thing of value, sells, brokers,  
2 exchanges, rents with option to purchase, or offers or  
3 attempts to negotiate a sale or exchange of an  
4 interest in used motor vehicles, or who is engaged  
5 wholly or in part in the business of selling used  
6 motor vehicles, whether or not such motor vehicles are  
7 owned by the person.

8 b. "Used motor vehicle dealer" shall not include:

- 9 (1) receivers, trustees, administrators, executors,  
10 guardians, or other persons appointed by or  
11 acting pursuant to the judgment or order of any  
12 court,
- 13 (2) public officers while performing their official  
14 duties,
- 15 (3) employees of persons enumerated in the definition  
16 of "used motor vehicle dealer" when engaged in  
17 the specific performance of their duties as such  
18 employees,
- 19 (4) mortgagees or secured parties as to sales of  
20 motor vehicles constituting collateral on a  
21 mortgage or security agreement, if the mortgagees  
22 or secured parties shall not realize for their  
23 own account from such sales any monies in excess  
24 of the outstanding balance secured by such

1 mortgage or security agreement, plus the costs of  
2 collection,

3 (5) any person acting as an auctioneer who has been  
4 engaged by a seller to direct, conduct, control,  
5 or be responsible for the sale of used motor  
6 vehicles as part of an estate auction or  
7 liquidation,

8 (6) any person, firm, corporation, or other legal  
9 entity who sells, or contracts for the sale of,  
10 the vehicles of the person, firm, corporation, or  
11 other legal entity when such vehicles are sold in  
12 liquidation, and any person, firm, corporation,  
13 or other legal entity who serves as an agent in  
14 such sale. The exclusion provided in this  
15 paragraph shall not extend to any person, firm,  
16 corporation, or other legal entity whose business  
17 is the purchase, sale, or rental with option to  
18 purchase, of motor vehicles, or to a location  
19 used for such purposes, or

20 (7) any person acting as an auctioneer who has been  
21 engaged by a seller to direct, conduct, control,  
22 or be responsible for the sale of used motor  
23 vehicles as part of an auction held at a licensed  
24 used motor vehicle dealer location. The

1 exclusion provided in this division shall not  
2 extend to a person who auctions five or more used  
3 motor vehicles in a nonliquidation sale held at a  
4 licensed used motor vehicle dealer location which  
5 is not regularly used as a vehicle auction;

6 ~~17.~~ 19. "Used motor vehicle salesperson" means a person  
7 employed by a licensed used motor vehicle dealer to sell, broker,  
8 exchange, or negotiate a purchase, sale, or rental with option to  
9 purchase, used motor vehicles or an interest in used motor vehicles.  
10 The term "used motor vehicle salesperson" shall not include any  
11 person who:

- 12 a. uses the person's own funds for such transactions,
- 13 b. operates independently as a used motor vehicle dealer  
14 using a licensed used motor vehicle dealer's license  
15 number, or
- 16 c. is licensed by the Oklahoma Motor Vehicle Commission  
17 to sell new or unused motor vehicles who also sells  
18 used motor vehicles for the dealer at the motor  
19 vehicle dealer's licensed franchise location;  
20 provided, such a person shall only be authorized to  
21 sell used motor vehicles for the dealer at the motor  
22 vehicle dealer's licensed franchise location and to  
23 represent the motor vehicle dealer at used motor  
24

1 vehicle auctions without obtaining a separate used  
2 motor vehicle salesperson's license; and

3 ~~18.~~ 20. "Wholesale used motor vehicle dealer" means any person  
4 who, for a commission or with intent to make a profit or gain of  
5 money or other thing of value, sells, brokers, exchanges, rents with  
6 option to purchase, or offers or attempts to negotiate a sale or  
7 exchange of interest in used motor vehicles exclusively to used  
8 motor vehicle dealers, or who is engaged in the business of selling  
9 used motor vehicles exclusively to used motor vehicle dealers,  
10 whether or not such motor vehicles are owned by the person.

11 SECTION 2. AMENDATORY 47 O.S. 2011, Section 583, is  
12 amended to read as follows:

13 Section 583. A. 1. It shall be unlawful and constitute a  
14 misdemeanor for any person to engage in business as, or serve in the  
15 capacity of, or act as a used motor vehicle dealer, used motor  
16 vehicle salesperson, wholesale used motor vehicle dealer,  
17 manufactured home dealer, restricted manufactured home park dealer,  
18 manufactured home salesperson, manufactured home installer, or  
19 manufactured home manufacturer selling directly to a licensed  
20 manufactured home dealer in this state without first obtaining a  
21 license or following other requirements therefor as provided in this  
22 section.

23 2. a. Any person engaging, acting, or serving in the  
24 capacity of a used motor vehicle dealer and/or a used

1 motor vehicle salesperson, a manufactured home dealer,  
2 restricted manufactured home park dealer, manufactured  
3 home salesperson, a manufactured home installer, or a  
4 manufactured home manufacturer, or having more than  
5 one place where any such business, or combination of  
6 businesses, is carried on or conducted shall be  
7 required to obtain and hold a current license for each  
8 such business, in which engaged.

9 b. A used motor vehicle dealer's license shall authorize  
10 one person to sell without a salesperson's license in  
11 the event such person shall be the owner of a  
12 proprietorship, or the person designated as principal  
13 in the dealer's franchise or the managing officer or  
14 one partner if no principal person is named in the  
15 franchise.

16 c. If after a hearing in accordance with the provisions  
17 of Section 585 of this title, the Oklahoma Used Motor  
18 Vehicle and Parts Commission shall find any person  
19 installing a mobile or manufactured home to be in  
20 violation of any of the provisions of this act, such  
21 person may be subject to an administrative fine of not  
22 more than Five Hundred Dollars (\$500.00) for each  
23 violation. Each day a person is in violation of this  
24 act may constitute a separate violation. The maximum

1 fine shall not exceed One Thousand Dollars  
2 (\$1,000.00). All administrative fines collected  
3 pursuant to the provisions of this subparagraph shall  
4 be deposited in the fund established in Section 582 of  
5 this title. Administrative fines imposed pursuant to  
6 this subparagraph may be enforceable in the district  
7 courts of this state.

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

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

18 B. 1. Applications for licenses required to be obtained under  
19 provisions of this act, Section 581 et seq. of this title, which  
20 creates the Oklahoma Used Motor Vehicle and Parts Commission shall  
21 be verified by the oath or affirmation of the applicant and shall be  
22 on forms prescribed by the Commission and furnished to the  
23 applicants, and shall contain such information as the Commission  
24 deems necessary to enable it to fully determine the qualifications

1 and eligibility of the several applicants to receive the license or  
2 licenses applied for. The Commission shall require in the  
3 application, or otherwise, information relating to:

- 4 a. the applicant's financial standing,
- 5 b. the applicant's business integrity,
- 6 c. whether the applicant has an established place of  
7 business and is engaged in the pursuit, avocation, or  
8 business for which a license, or licenses, is applied  
9 for,
- 10 d. whether the applicant is able to properly conduct the  
11 business for which a license, or licenses, is applied  
12 for, and
- 13 e. such other pertinent information consistent with the  
14 safeguarding of the public interest and the public  
15 welfare.

16 2. All applications for license or licenses shall be  
17 accompanied by the appropriate fee or fees in accordance with the  
18 schedule hereinafter provided. In the event any application is  
19 denied and the license applied for is not issued, the entire license  
20 fee shall be returned to the applicant.

21 3. All bonds and licenses issued under the provisions of this  
22 act shall expire on December 31, following the date of issue and  
23 shall be nontransferable. All applications for renewal of licenses  
24 should be submitted by November 1 of each year, and licenses shall

1 be issued by January 10. If applications have not been made for  
2 renewal of licenses, such licenses shall expire on December 31 and  
3 it shall be illegal for any person to represent himself or herself  
4 and act as a dealer thereafter. Tag agents shall be notified not to  
5 accept dealers' titles until such time as licenses have been issued.

6 4. A used motor vehicle salesperson's license shall permit the  
7 licensee to engage in the activities of a used motor vehicle  
8 salesperson. Salespersons shall not be allowed to sell vehicles  
9 unless applications, bonds, and fees are on file with the Commission  
10 and the motor vehicle salesperson's or temporary salesperson's  
11 license issued. A temporary salesperson's license, salesperson's  
12 renewal or reissue of salesperson's license shall be deemed to have  
13 been issued when the appropriate application, bond, and fee have  
14 been properly addressed and mailed to the Commission.

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

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

20 1. For each used motor vehicle dealer's license and each  
21 wholesale used motor vehicle dealer's license, Three Hundred Dollars  
22 (\$300.00). If a used motor vehicle dealer or a wholesale used motor  
23 vehicle dealer has once been licensed by the Commission in the  
24 classification for which he or she applies for a renewal of the

1 license, the fee for each subsequent renewal shall be One Hundred  
2 Fifty Dollars (\$150.00); provided, if an applicant holds a license  
3 to conduct business as an automotive dismantler and parts recycler  
4 issued pursuant to Section 591.1 et seq. of this title, the initial  
5 fee shall be One Hundred Dollars (\$100.00) and the renewal fee shall  
6 be One Hundred Dollars (\$100.00). If an applicant is applying  
7 simultaneously for a license under this paragraph and a license  
8 under paragraph 1 of Section 591.5 of this title, the initial  
9 application fee shall be Two Hundred Dollars (\$200.00). For the  
10 reinstatement of a used motor vehicle dealer's license after  
11 revocation for cancellation or expiration of insurance pursuant to  
12 subsection F of this section, the fee shall be One Hundred Dollars  
13 (\$100.00);

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

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

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



1 D. 1. The license issued to each used motor vehicle dealer,  
2 each wholesale used motor vehicle dealer, each restricted  
3 manufactured home park dealer and each manufactured home dealer  
4 shall specify the location of the place of business. If the  
5 business location is changed, the Oklahoma Used Motor Vehicle and  
6 Parts Commission shall be notified immediately of the change and the  
7 Commission may endorse the change of location on the license. The  
8 fee for a change of location shall be One Hundred Dollars (\$100.00),  
9 and the fee for a change of name, Twenty-five Dollars (\$25.00). The  
10 license of each licensee shall be posted in a conspicuous place in  
11 the place or places of business of the licensee.

12 2. The license issued to each manufactured home installer, and  
13 each manufactured home manufacturer shall specify the location of  
14 the place of business. If the business location is changed, the  
15 Oklahoma Used Motor Vehicle and Parts Commission shall be notified  
16 immediately of the change and the Commission may endorse the change  
17 of location on the license without charge. The license of each  
18 licensee shall be posted in a conspicuous place in the place or  
19 places of business of the licensee.

20 3. Every used motor vehicle salesperson shall have the license  
21 upon his or her person when engaged in business, and shall display  
22 same upon request. The name of the employer of the salesperson  
23 shall be stated on the license and if there is a change of employer,  
24 the license holder shall immediately mail the license to the

1 Commission for its endorsement of the change thereon. There shall  
2 be no charge for endorsement of change of employer on the license or  
3 penalty for not having a license upon his or her person.

4 4. Every manufactured home installer shall have the license  
5 available for inspection at the primary place of business of the  
6 licensee. This license shall be valid for the licensee and all of  
7 the employees of the licensee. Any person who is not an employee of  
8 the licensee must obtain a separate manufactured home installer  
9 license regardless of whether such person is acting in the capacity  
10 of a contractor or subcontractor.

11 E. 1. a. Each applicant for a used motor vehicle dealer's  
12 license shall procure and file with the Commission a  
13 good and sufficient bond in the amount of Fifteen  
14 Thousand Dollars (\$15,000.00). Each new applicant for  
15 a used motor vehicle dealer's license for the purpose  
16 of conducting a used motor vehicle auction shall  
17 procure and file with the Commission a good and  
18 sufficient bond in the amount of Fifty Thousand  
19 Dollars (\$50,000.00). An applicant who intends to  
20 conduct a used motor vehicle auction who provides  
21 proof that the applicant has check and title insurance  
22 in an amount not less than Fifty Thousand Dollars  
23 (\$50,000.00) shall only be required to have a bond in  
24

1 the amount of Twenty-five Thousand Dollars  
2 (\$25,000.00).

3 b. Each new applicant for a used motor vehicle dealer  
4 license for the purpose of conducting a used motor  
5 vehicle business which will consist primarily of non-  
6 auction consignment sales which are projected to equal  
7 Five Hundred Thousand Dollars (\$500,000.00) or more in  
8 gross annual sales shall procure and file with the  
9 Commission a good and sufficient bond in the amount of  
10 Fifty Thousand Dollars (\$50,000.00). The Commission  
11 shall prescribe by rule the method of operation of the  
12 non-auction consignment dealer in order to properly  
13 protect the interests of all parties to the  
14 transaction and to provide sanctions against dealers  
15 who fail to comply with the rules.

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

20 d. Any used motor vehicle dealer who, for the purpose of  
21 being a rebuilder, applies for a rebuilder  
22 certificate, as provided in Section 591.5 of this  
23 title, whether as a new application or renewal, shall  
24 procure and file with the Commission a good and

1 sufficient bond in the amount of Fifteen Thousand  
2 Dollars (\$15,000.00), in addition to any other bonds  
3 required.

4 e. Each applicant for a manufactured home dealer's  
5 license or a restricted manufactured home park  
6 dealer's license shall procure and file with the  
7 Commission a good and sufficient bond in the amount of  
8 Thirty Thousand Dollars (\$30,000.00).

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

21 g. The bond shall be approved as to form by the Attorney  
22 General and conditioned that the applicant shall not  
23 practice fraud, make any fraudulent representation, or  
24 violate any of the provisions of this act in the

1           conduct of the business for which the applicant is  
2           licensed. One of the purposes of the bond is to  
3           provide reimbursement for any loss or damage suffered  
4           by any person by reason of issuance of a certificate  
5           of title by a used motor vehicle dealer, a wholesale  
6           used motor vehicle dealer, a restricted manufactured  
7           home park dealer or a manufactured home dealer.

8           2. If a motor vehicle dealer has a valid license issued by the  
9 Oklahoma Motor Vehicle Commission, then the bond as required by this  
10 subsection shall be waived.

11           3. Each applicant for a used motor vehicle salesperson's  
12 license shall procure and file with the Commission a good and  
13 sufficient bond in the amount of One Thousand Dollars (\$1,000.00).  
14 The bond shall be approved as to form by the Attorney General and  
15 conditioned that the applicant shall perform duties as a used motor  
16 vehicle salesperson without fraud or fraudulent representation and  
17 without violating any provisions of this act.

18           4. The bonds as required by this section shall be maintained  
19 throughout the period of licensure. Should the bond be canceled for  
20 any reason, the license shall be revoked as of the date of  
21 cancellation unless a new bond is furnished prior to such date.

22           F. Any used motor vehicle dealer or wholesale used motor  
23 vehicle dealer is required to furnish and keep in force a minimum of  
24 Twenty-five Thousand Dollars (\$25,000.00) of single liability

1 insurance coverage on all vehicles offered for sale or used in any  
2 other capacity in demonstrating or utilizing the streets and  
3 roadways in accordance with the financial responsibility laws of  
4 this state.

5 G. Any manufactured home dealer or restricted manufactured home  
6 park dealer is required to furnish and keep in force a minimum of  
7 One Hundred Thousand Dollars (\$100,000.00) of garage liability or  
8 general liability with products and completed operations insurance  
9 coverage.

10 H. Any manufactured home installer is required to furnish and  
11 keep in force a minimum of Twenty-five Thousand Dollars (\$25,000.00)  
12 of general liability with products and completed operations  
13 insurance coverage.

14 SECTION 3. AMENDATORY 47 O.S. 2011, Section 584, is  
15 amended to read as follows:

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

22 1. On satisfactory proof of unfitness of the applicant or the  
23 licensee, as the case may be, under the standards established by  
24 Sections 581 through 588 of this title;

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

4           3. For any willful failure to comply with any provision of  
5 Section 581 et seq. of this title or with any rule promulgated by  
6 the Commission under authority vested in it by Sections 581 through  
7 588 of this title;

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

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

12          6. Being a used motor vehicle dealer, used motor vehicle  
13 salesperson, a wholesale used motor vehicle dealer, or a  
14 manufactured home dealer, a restricted manufactured home park  
15 dealer, a manufactured home installer, manufactured home  
16 manufacturer, or manufactured home salesperson who:

17           a. resorts to or uses any false or misleading advertising  
18           in connection with business as a used motor vehicle  
19           dealer or salesperson, wholesale used motor vehicle  
20           dealer or a restricted manufactured home park dealer  
21           or manufactured home dealer, installer or  
22           manufacturer,

23           b. has committed any unlawful act which resulted in the  
24           revocation of any similar license in another state,

- 1 c. has been convicted of a crime involving moral  
2 turpitude,
- 3 d. has committed a fraudulent act in selling, purchasing  
4 or otherwise dealing in motor vehicles or manufactured  
5 homes or has misrepresented the terms and conditions  
6 of a sale, purchase or contract for sale or purchase  
7 of a motor vehicle or manufactured home or any  
8 interest therein including an option to purchase such  
9 motor vehicles or manufactured homes,
- 10 e. has engaged in business under a past or present  
11 license issued pursuant to Sections 581 through 588 of  
12 this title, in such a manner as to cause injury to the  
13 public or to those with whom the licensee is dealing,
- 14 f. has failed to meet or maintain the conditions and  
15 requirements necessary to qualify for the issuance of  
16 a license,
- 17 g. has failed or refused to furnish and keep in force any  
18 bond required under Sections 581 through 588 of this  
19 title,
- 20 h. has installed or attempted to install a manufactured  
21 home in an unworkmanlike manner, or
- 22 i. employs unlicensed salesperson or other unlicensed  
23 persons in connection with the sale of manufactured  
24 homes;

1 7. Being a used motor vehicle dealer who:

2 a. does not have an established place of business,

3 b. employs unlicensed salespersons or other unlicensed  
4 persons in connection with the sale of used vehicles,

5 c. fails or refuses to furnish or keep in force single  
6 limit liability insurance on any vehicle offered for  
7 sale and otherwise required under the financial  
8 responsibility laws of this state, or

9 d. is not operating from the address shown on the license  
10 if this change has not been reported to the  
11 Commission; or

12 8. Being a manufactured home dealer or a restricted  
13 manufactured home park dealer who:

14 a. does not have an established place of business,

15 b. fails or refuses to furnish or keep in force garage  
16 liability and completed operations insurance, or

17 c. is not operating from the address shown on the license  
18 if this change has not been reported to the  
19 Commission.

20 B. 1. The Commission shall deny an application for a license,  
21 or revoke or suspend a license after it has been granted, if a  
22 manufactured home dealer does not meet the following guidelines and  
23 restrictions:

24 ~~1.~~ A

1           a.   a display area for manufactured homes which is easily  
2           accessible, with sufficient parking for the public~~†~~‡

3           ~~2.~~ ~~An~~

4           b.   an office for conducting business where the books,  
5           records, and files are kept, with access to a restroom  
6           for the public~~†~~‡

7           ~~3.~~ ~~Place~~

8           c.   a place of business which meets all zoning occupancy  
9           and other requirements of the appropriate local  
10          government and regular occupancy by a person, firm, or  
11          corporation engaged in the business of selling  
12          manufactured homes~~†~~‡ and

13          ~~4.~~ ~~Place~~

14          d.   a place of business which is separate and apart from  
15          any other dealer's location.

16          2. The Commission shall deny an application for a restricted  
17 manufactured home park dealer license, or revoke or suspend a  
18 license after it has been granted, if a manufactured home park  
19 dealer does not satisfy the following guidelines and restrictions:

20          a.   only mobile or manufactured homes that are "ready for  
21 occupancy" are sold or offered for sale,

22          b.   maintains an office for conducting business where the  
23 books, records, and files are kept, with access to a  
24 restroom for the public,

1           c. maintains a place of business which meets all zoning,  
2           occupancy and other requirements of the appropriate  
3           local government and regular occupancy by a person,  
4           firm or corporation engaged in the business of selling  
5           manufactured homes inside a park, and

6           d. maintains a place of business which is separate and  
7           apart from any other dealer's location.

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

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

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

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

22           E. The Commission shall deny an application for a license by a  
23           motor vehicle manufacturer or factory if the application is for the  
24           purpose of selling used motor vehicles to any retail consumer in the

1 state, other than through its retail franchised dealers, or acting  
2 as a broker between a seller and a retail buyer. This subsection  
3 does not prohibit a manufacturer from selling used motor vehicles  
4 where the retail customer is a nonprofit organization or a federal,  
5 state, or local government or agency. This subsection does not  
6 prohibit a manufacturer from providing information to a consumer for  
7 the purpose of marketing or facilitating the sale of used motor  
8 vehicles or from establishing a program to sell or offer to sell  
9 used motor vehicles through the manufacturer's retail franchised  
10 dealers as provided for in Sections 561 through 580.2 of this title.  
11 This subsection shall not prevent a factory from obtaining a  
12 wholesale used motor vehicle dealer's license or the factory's  
13 financing subsidiary from obtaining a wholesale used motor vehicle  
14 dealer's license.

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

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

24

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

6 SECTION 4. This act shall become effective November 1, 2013.

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8 54-1-7361 CJB 02/27/13  
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