

1 **SENATE FLOOR VERSION**

2 April 4, 2019

3 ENGROSSED HOUSE
4 BILL NO. 1094

By: Osburn and Munson of the
House

5 and

6 Smalley of the Senate

7
8
9 An Act relating to motor vehicles; amending 47 O.S.
10 2011, Sections 564, as amended by Section 2, Chapter
11 191, O.S.L. 2013, 565, as amended by Section 1,
12 Chapter 402, O.S.L. 2014, 581, as last amended by
13 Section 1, Chapter 223, O.S.L. 2015, 582, as amended
14 by Section 179, Chapter 304, O.S.L. 2012, 583, as
15 last amended by Section 1, Chapter 386, O.S.L. 2015
16 and 584, as amended by Section 3, Chapter 145, O.S.L.
17 2013 (47 O.S. Supp. 2018, Sections 564, 565, 581,
18 582, 583 and 584), which relate to motor vehicle and
19 manufactured home sales licensing; deleting
20 requirement for motor vehicles and manufactured homes
21 salesperson licenses; setting penalty for
22 noncompliance; requiring new motor vehicle, used
23 motor vehicle and manufactured home salespersons to
24 obtain certificate of registration; setting cost of
annual registration; directing the Oklahoma Motor
Vehicle Commission to promulgate certain rules and
procedures; directing the Oklahoma Used Motor Vehicle
and Parts Commission to promulgate certain rules and
procedures; providing for codification; and providing
an effective date.

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

1 SECTION 1. AMENDATORY 47 O.S. 2011, Section 564, as
2 amended by Section 2, Chapter 191, O.S.L. 2013 (47 O.S. Supp. 2018,
3 Section 564), is amended to read as follows:

4 Section 564. A. It shall be unlawful for any person, firm,
5 association, corporation or trust to engage in business as, or serve
6 in the capacity of, or act as a motor vehicle dealer,~~or motor~~
7 ~~vehicle salesperson,~~ or manufacturer or distributor of new motor
8 vehicles, or factory branch, distributor branch or factory
9 representative or distributor representative, as such, in this state
10 without first obtaining a license therefor as provided for by law.
11 Any person, firm, association, corporation or trust engaging in more
12 than one of such capacities or having more than one place where such
13 business is carried on or conducted shall be required to obtain and
14 hold a current license for each thereof. Provided that, a new motor
15 vehicle dealer's license shall authorize one person to sell ~~without~~
16 ~~a salesperson's license~~ in the event such person shall be the owner
17 of a proprietorship, or the person designated as principal in the
18 dealer's franchise or the managing officer or one partner if no
19 principal person is named in the franchise.

20 B. Applications for licenses required to be obtained under
21 provisions of Section 561 et seq. of this title shall be verified by
22 the oath or affirmation of the applicant and shall be on forms
23 prescribed by the Oklahoma Motor Vehicle Commission and furnished to
24 such applicants, and shall contain such information as the

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

1 shall be illegal for any person to represent himself or herself and
2 act as a dealer, ~~salesperson~~, manufacturer, distributor or
3 manufacturer's or distributor's representative. Motor license
4 agents will be notified not to accept such dealers' titles until
5 such time as licenses have been issued by the Commission.

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

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

11 1. For each factory branch or distributor branch, Four Hundred
12 Dollars (\$400.00) initial fee with annual renewal fee of Three
13 Hundred Dollars (\$300.00);

14 2. For each manufacturer or distributor of new motor vehicles,
15 Four Hundred Dollars (\$400.00) initial fee with annual renewal fee
16 of Three Hundred Dollars (\$300.00);

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

19 4. For each new motor vehicle dealer, except powersports
20 vehicle dealers, initial fee of Three Hundred Dollars (\$300.00) per
21 franchise sold at each location licensed, with an annual renewal fee
22 of One Hundred Dollars (\$100.00) per franchise sold at each location
23 per year; and
24

1 5. For each powersports vehicle dealer, initial fee of Three
2 Hundred Dollars (\$300.00) per manufacturer represented by the dealer
3 at each location licensed, with an annual renewal fee of One Hundred
4 Dollars (\$100.00) per manufacturer represented by the dealer at each
5 location licensed per year; ~~and~~

6 ~~6. For each salesperson, Twenty-five Dollars (\$25.00) renewed~~
7 ~~annually.~~

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

18 Every motor vehicle ~~salesperson,~~ factory representative or
19 distributor representative if an individual shall physically possess
20 the license when engaged in business, and shall display same upon
21 request. The name of the employer of such ~~salesperson,~~ factory
22 representative or distributor representative shall be stated on the
23 license and, in case of a change of employer, the holder of such
24 license shall immediately mail same to the Commission for its

1 endorsement of such change thereon. The Commission shall endorse
2 each such change of employer on licenses for a fee of Ten Dollars
3 (\$10.00).

4 E. The powersports dealer license shall only allow the sale of
5 the specific types of powersports vehicles authorized by the
6 manufacturer and agreed to by the powersports dealer.

7 SECTION 2. AMENDATORY 47 O.S. 2011, Section 565, as
8 amended by Section 1, Chapter 402, O.S.L. 2014 (47 O.S. Supp. 2018,
9 Section 565), is amended to read as follows:

10 Section 565. A. The Oklahoma Motor Vehicle Commission may deny
11 an application for a license, or revoke or suspend a license or
12 impose a fine not to exceed Ten Thousand Dollars (\$10,000.00)
13 against a manufacturer or distributor or a fine not to exceed One
14 Thousand Dollars (\$1,000.00) against a dealer per occurrence that
15 any provision of Sections 561 through 567, 572, 578.1, 579 and 579.1
16 of this title is violated or for any of the following reasons:

17 1. On satisfactory proof of unfitness of the applicant in any
18 application for any license under the provisions of Section 561 et
19 seq. of this title;

20 2. For any material misstatement made by an applicant in any
21 application for any license under the provisions of Section 561 et
22 seq. of this title;

1 3. For any failure to comply with any provision of Section 561
2 et seq. of this title or any rule promulgated by the Commission
3 under authority vested in it by Section 561 et seq. of this title;

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

6 5. Being a new motor vehicle dealer ~~or new motor vehicle~~
7 ~~salesperson~~ who:

8 a. has required a purchaser of a new motor vehicle, as a
9 condition of sale and delivery thereof, to also
10 purchase special features, appliances, accessories or
11 equipment not desired or requested by the purchaser
12 and installed by the dealer,

13 b. uses any false or misleading advertising in connection
14 with business as a new motor vehicle dealer ~~or vehicle~~
15 ~~salesperson~~,

16 c. has committed any unlawful act which resulted in the
17 revocation of any similar license in another state,

18 d. has failed or refused to perform any written agreement
19 with any retail buyer involving the sale of a motor
20 vehicle,

21 e. has been convicted of a crime involving moral
22 turpitude,

23 f. has committed a fraudulent act in selling, purchasing
24 or otherwise dealing in new motor vehicles or has

1 misrepresen~~t~~ed the terms and conditions of a sale,
2 purchase or contract for sale or purchase of a new
3 motor vehicle or any interest therein including an
4 option to purchase such vehicle,

5 g. has failed to meet or maintain the conditions and
6 requirements necessary to qualify for the issuance of
7 a license~~+~~L or

8 h. completes any sale or transaction of an extended
9 service contract, extended maintenance plan, or
10 similar product using contract forms that do not
11 conspicuously disclose the identity of the service
12 contract provider;

13 6. Being a new motor vehicle salesperson who is not employed as
14 such by a licensed new motor vehicle dealer;

15 7. Being a new motor vehicle dealer who:

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

17 b. does not provide for a suitable repair shop separate
18 from the display room with ample space to repair or
19 recondition one or more vehicles at the same time, and
20 which is equipped with such parts, tools and equipment
21 as may be requisite for the servicing of motor
22 vehicles in such a manner as to make them comply with
23 the safety laws of this state and to properly fulfill
24 the dealer's or manufacturer's warranty obligation,

- 1 c. does not hold a franchise in effect with a
2 manufacturer or distributor of new or unused motor
3 vehicles for the sale of the same and is not
4 authorized by the manufacturer or distributor to
5 render predelivery preparation of such vehicles sold
6 to purchasers and to perform any authorized post-sale
7 work pursuant to the manufacturer's or distributor's
8 warranty,
- 9 d. ~~employs unlicensed salespersons, or~~ employs or
10 utilizes the services of used motor vehicle lots or
11 dealers or other unlicensed persons in connection with
12 the sale of new motor vehicles,
- 13 e. does not properly service a new motor vehicle before
14 delivery of same to the original purchaser thereof, or
- 15 f. fails to order and stock a reasonable number of new
16 motor vehicles necessary to meet customer demand for
17 each of the new motor vehicles included in the new
18 motor vehicle dealer's franchise agreement, unless the
19 new motor vehicles are not readily available from the
20 manufacturer or distributor due to limited production;

21 8. Being a factory that has:

- 22 a. either induced or attempted to induce by means of
23 coercion or intimidation, any new motor vehicle
24 dealer:

- 1 (1) to accept delivery of any motor vehicle or
2 vehicles, parts or accessories therefor, or any
3 other commodities including advertising material
4 which shall not have been ordered by the new
5 motor vehicle dealer,
- 6 (2) to order or accept delivery of any motor vehicle
7 with special features, appliances, accessories or
8 equipment not included in the list price of the
9 motor vehicles as publicly advertised by the
10 manufacturer thereof, or
- 11 (3) to order or accept delivery of any parts,
12 accessories, equipment, machinery, tools,
13 appliances or any commodity whatsoever, or
- 14 b. induced under threat or discrimination by the
15 withholding from delivery to a motor vehicle dealer
16 certain models of motor vehicles, changing or amending
17 unilaterally the dealer's allotment of motor vehicles
18 and/or withholding and delaying delivery of such
19 vehicles out of the ordinary course of business, in
20 order to induce by such coercion any such dealer to
21 participate or contribute to any local or national
22 advertising fund controlled directly or indirectly by
23 the factory or for any other purposes such as contest,
24 "give-aways" or other so-called sales promotional

1 devices and/or change of quotas in any sales contest;
2 or has required motor vehicle dealers, as a condition
3 to receiving their vehicle allotment, to order a
4 certain percentage of the vehicles with optional
5 equipment not specified by the new motor vehicle
6 dealer; however, nothing in this section shall
7 prohibit a factory from supporting an advertising
8 association which is open to all dealers on the same
9 basis;

10 9. Being a factory that:

- 11 a. has attempted to coerce or has coerced any new motor
12 vehicle dealer to enter into any agreement or to
13 cancel any agreement, or fails to act in good faith
14 and in a fair, equitable and nondiscriminatory manner;
15 or has directly or indirectly coerced, intimidated,
16 threatened or restrained any motor vehicle dealer; or
17 has acted dishonestly, or has failed to act in
18 accordance with the reasonable standards of fair
19 dealing,
- 20 b. has failed to compensate its dealers for the work and
21 services they are required to perform in connection
22 with the dealer's delivery and preparation obligations
23 according to the agreements on file with the
24 Commission which must be found by the Commission to be

1 reasonable, or fail to adequately and fairly
2 compensate its dealers for labor, parts and other
3 expenses incurred by such dealer to perform under and
4 comply with manufacturer's warranty agreements.
5 Adequate and fair compensation for parts shall be
6 established by the dealer submitting to the
7 manufacturer or distributor one hundred sequential
8 nonwarranty customer-paid service repair orders which
9 contain warranty-like parts, or ninety (90)
10 consecutive days of nonwarranty customer-paid service
11 repair orders which contain warranty-like parts,
12 whichever is less, covering repairs made no more than
13 one hundred eighty (180) days before the submission
14 and declaring the average percentage markup. Adequate
15 and fair compensation for labor shall be established
16 by the dealer submitting to the manufacturer or
17 distributor one hundred sequential customer-paid
18 service repair orders which contain labor charges, or
19 ninety (90) consecutive days of customer-paid service
20 repair orders which contain labor charges, whichever
21 is less. When submitting repair orders to calculate a
22 labor rate, a dealer need not include repair orders
23 for routine maintenance. A manufacturer or
24 distributor may, not later than thirty (30) days after

1 submission, rebut that declared rate in writing by
2 reasonably substantiating that the rate is inaccurate
3 or unreasonable in light of the practices of all other
4 franchised motor vehicle dealers in an economically
5 similar part of the state offering the same line-make
6 vehicles. The retail rate shall go into effect thirty
7 (30) days following the approval by the manufacturer,
8 subject to audit of the submitted repair orders by the
9 franchisor and a rebuttal of the declared rate as
10 described above. If the declared rate is rebutted,
11 the manufacturer or distributor shall propose an
12 adjustment in writing of the average percentage markup
13 based on that rebuttal not later than thirty (30) days
14 after submission. If the dealer does not agree with
15 the proposed average percentage markup, the dealer may
16 file a protest with the Commission not later than
17 thirty (30) days after receipt of that proposal by the
18 manufacturer or distributor. In the event a protest
19 is filed, the manufacturer or distributor shall
20 have the burden of proof to establish the new motor
21 vehicle dealer's submitted rate was inaccurate or
22 unreasonable in light of the practices of all other
23 franchised motor vehicle dealers in an economically
24 similar part of the state. A manufacturer or

1 distributor may not retaliate against any new
2 motor vehicle dealer seeking to exercise its
3 rights under this provision. A manufacturer or
4 distributor may require a dealer to submit repair
5 orders in accordance with this section in order to
6 validate a dealer's retail rate for parts or labor
7 not more often than once every twelve (12) months.
8 All claims made by dealers for compensation for
9 delivery, preparation and warranty work shall be paid
10 within thirty (30) days after approval and shall be
11 approved or disapproved within thirty (30) days after
12 receipt. When any claim is disapproved, the dealer
13 shall be notified in writing of the grounds for
14 disapproval. The dealer's delivery, preparation and
15 warranty obligations as filed with the Commission
16 shall constitute the dealer's sole responsibility for
17 product liability as between the dealer and
18 manufacturer. A factory may reasonably and
19 periodically audit a new motor vehicle dealer to
20 determine the validity of paid claims for dealer
21 compensation or any charge-backs for warranty parts or
22 service compensation. Except in cases of suspected
23 fraud, audits of warranty payments shall only be for
24 the one-year period immediately following the date of

1 the payment. A manufacturer shall reserve the right
2 to reasonable, periodic audits to determine the
3 validity of paid claims for dealer compensation or any
4 charge-backs for consumer or dealer incentives.
5 Except in cases of suspected fraud, audits of
6 incentive payments shall only be for a one-year period
7 immediately following the date of the payment. A
8 factory shall not deny a claim or charge a new motor
9 vehicle dealer back subsequent to the payment of the
10 claim unless the factory can show that the claim was
11 false or fraudulent or that the new motor vehicle
12 dealer failed to reasonably substantiate the claim by
13 the written reasonable procedures of the factory. The
14 factory shall provide written notice to a dealer
15 of a proposed charge-back that is the result of an
16 audit along with the specific audit results and
17 proposed charge-back amount. A dealer that
18 receives notice of a proposed charge-back pursuant
19 to a factory's audit has the right to file a protest
20 with the Commission within thirty (30) days after
21 receipt of the notice of the charge-back or audit
22 results, whichever is later. The factory is
23 prohibited from implementing the charge-back or
24 debiting the dealer's account until either the time

1 frame for filing a protest has passed or a final
2 adjudication is rendered by the Commission,
3 whichever is later, unless the dealer has agreed
4 to the charge-back or charge-backs,

5 c. unreasonably fails or refuses to offer to its same
6 line-make franchised dealers all models manufactured
7 for that line-make, or unreasonably requires a dealer
8 to pay any extra fee, purchase unreasonable
9 advertising displays or other materials, or remodel,
10 renovate, or recondition the dealer's existing
11 facilities as a prerequisite to receiving a model or
12 series of vehicles. The failure to deliver any such
13 new motor vehicle shall not be considered a violation
14 of the section if the failure is not arbitrary or is
15 due to lack of manufacturing capacity or to a strike
16 or labor difficulty, a shortage of materials, a
17 freight embargo or other cause over which the
18 manufacturer has no control. However, this
19 subparagraph shall not apply to recreational vehicles
20 or limited production model vehicles,

21 d. except as necessary to comply with a health or
22 safety law, or to comply with a technology
23 requirement which is necessary to sell or service
24 a motor vehicle that the franchised motor vehicle

dealer is authorized or licensed by the franchisor to sell or service, requires a new motor vehicle dealer to construct a new facility or substantially renovate the new motor vehicle dealer's existing facility unless the facility construction or renovation is justified by the economic conditions existing at the time, as well as the reasonably foreseeable projections, in the automotive industry. However, this subparagraph shall not apply if the factory provides money, credit, allowance, reimbursement, or additional vehicle allocation to a dealer to compensate the dealer for the cost of, or a portion of the cost of, the facility construction or renovation,

e. requires a new motor vehicle dealer to establish an exclusive facility, unless supported by reasonable business, market and economic considerations; provided, that this provision shall not restrict the terms of any agreement for such exclusive facility voluntarily entered into and supported by valuable consideration separate from the new motor vehicle dealer's right to sell and service motor vehicles for the franchisor,

- 1 f. requires a new motor vehicle dealer to enter into
2 a site-control agreement covering any or all of
3 the new motor vehicle dealer's facilities or
4 premises; provided, that this provision shall not
5 restrict the terms of any site-control agreement
6 voluntarily entered into and supported by valuable
7 consideration separate from the new motor vehicle
8 dealer's right to sell and service motor vehicles
9 for the franchisor. Notwithstanding the foregoing or
10 the terms of any site-control agreement, a site-
11 control agreement automatically extinguishes if all of
12 the factory's franchises that operated from the
13 location that are the subject of the site-control
14 agreement are terminated by the factory as part of the
15 discontinuance of a product line, or
- 16 g. requires a new motor vehicle dealer to purchase
17 goods or services for the construction,
18 renovation, or improvement of the dealer's
19 facility from a vendor chosen by the factory if
20 goods or services available from other sources are
21 of substantially similar quality and design and
22 comply with all applicable laws; provided,
23 however, that such goods are not subject to the
24 factory's intellectual property or trademark

1 rights and the new motor vehicle dealer has
2 received the factory's approval, which approval
3 may not be unreasonably withheld. Nothing in this
4 subparagraph may be construed to allow a new motor
5 vehicle dealer to impair or eliminate a factory's
6 intellectual property, trademark rights or trade
7 dress usage guidelines. Nothing in this section
8 prohibits the enforcement of a voluntary agreement
9 between the factory and the new motor vehicle
10 dealer where separate and valuable consideration
11 has been offered and accepted;

12 10. Being a factory that establishes a system of motor vehicle
13 allocation or distribution which is unfair, inequitable or
14 unreasonably discriminatory. Upon the request of any dealer
15 franchised by it, a factory shall disclose in writing to the dealer
16 the basis upon which new motor vehicles are allocated, scheduled and
17 delivered among the dealers of the same line-make for that factory;

18 11. Being a factory that sells directly or indirectly new motor
19 vehicles to any retail consumer in the state except through a new
20 motor vehicle dealer holding a franchise for the line-make that
21 includes the new motor vehicle. This paragraph does not apply to
22 factory sales of new motor vehicles to its employees, family members
23 of employees, retirees and family members of retirees, not-for-
24 profit organizations or the federal, state or local governments.

1 The provisions of this paragraph shall not preclude a factory from
2 providing information to a consumer for the purpose of marketing or
3 facilitating a sale of a new motor vehicle or from establishing a
4 program to sell or offer to sell new motor vehicles through
5 participating dealers;

6 12. a. Being a factory which directly or indirectly:

7 (1) owns any ownership interest or has any financial
8 interest in a new motor vehicle dealer or any
9 person who sells products or services to the
10 public,

11 (2) operates or controls a new motor vehicle dealer,
12 or

13 (3) acts in the capacity of a new motor vehicle
14 dealer.

15 b. (1) This paragraph does not prohibit a factory from
16 owning or controlling a new motor vehicle dealer
17 while in a bona fide relationship with a dealer
18 development candidate who has made a substantial
19 initial investment in the franchise and whose
20 initial investment is subject to potential loss.
21 The dealer development candidate can reasonably
22 expect to acquire full ownership of a new motor
23 vehicle dealer within a reasonable period of time
24 not to exceed ten (10) years and on reasonable

1 terms and conditions. The ten-year acquisition
2 period may be expanded for good cause shown.

3 (2) This paragraph does not prohibit a factory from
4 owning, operating, controlling or acting in the
5 capacity of a motor vehicle dealer for a period
6 not to exceed twelve (12) months during the
7 transition from one dealer to another dealer if
8 the dealership is for sale at a reasonable price
9 and on reasonable terms and conditions to an
10 independent qualified buyer. On showing by a
11 factory of good cause, the Oklahoma Motor Vehicle
12 Commission may extend the time limit set forth
13 above; extensions may be granted for periods not
14 to exceed twelve (12) months.

15 (3) This paragraph does not prohibit a factory from
16 owning, operating or controlling or acting in the
17 capacity of a motor vehicle dealer which was in
18 operation prior to January 1, 2000.

19 (4) This paragraph does not prohibit a factory from
20 owning, directly or indirectly, a minority
21 interest in an entity that owns, operates or
22 controls motor vehicle dealerships of the same
23 line-make franchised by the manufacturer,
24

1 provided that each of the following conditions
2 are met:

3 (a) all of the motor vehicle dealerships selling
4 the motor vehicles of that manufacturer in
5 this state trade exclusively in the line-
6 make of that manufacturer,

7 (b) all of the franchise agreements of the
8 manufacturer confer rights on the dealer of
9 the line-make to develop and operate, within
10 a defined geographic territory or area, as
11 many dealership facilities as the dealer and
12 manufacturer shall agree are appropriate,

13 (c) at the time the manufacturer first acquires
14 an ownership interest or assumes operation,
15 the distance between any dealership thus
16 owned or operated and the nearest
17 unaffiliated motor vehicle dealership
18 trading in the same line-make is not less
19 than seventy (70) miles,

20 (d) during any period in which the manufacturer
21 has such an ownership interest, the
22 manufacturer has no more than three
23 franchise agreements with new motor vehicle
24 dealers licensed by the Oklahoma Motor

Vehicle Commission to do business within the state, and

(e) prior to January 1, 2000, the factory shall have furnished or made available to prospective motor vehicle dealers an offering-circular in accordance with the Trade Regulation Rule on Franchising of the Federal Trade Commission, and any guidelines and exemptions issued thereunder, which disclose the possibility that the factory may from time to time seek to own or acquire, directly or indirectly, ownership interests in retail dealerships;

13. Being a factory which directly or indirectly makes available for public disclosure any proprietary information provided to the factory by a new motor vehicle dealer, other than in composite form to dealers in the same line-make or in response to a subpoena or order of the Commission or a court. Proprietary information includes, but is not limited to, information based on:

- a. any information derived from monthly financial statements provided to the factory, and
- b. any information regarding any aspect of the profitability of a particular new motor vehicle dealer;

1 14. Being a factory which does not provide or direct leads in a
2 fair, equitable and timely manner. Nothing in this paragraph shall
3 be construed to require a factory to disregard the preference of a
4 consumer in providing or directing a lead;

5 15. Being a factory which used the customer list of a new motor
6 vehicle dealer for the purpose of unfairly competing with dealers;

7 16. Being a factory which prohibits a new motor vehicle dealer
8 from relocating after a written request by such new motor vehicle
9 dealer if:

- 10 a. the facility and the proposed new location satisfies
11 or meets the written reasonable guidelines of the
12 factory. Reasonable guidelines do not include site
13 control unless agreed to as set forth in subparagraphs
14 e and f of paragraph 9 of this subsection,
- 15 b. the proposed new location is within the area of
16 responsibility of the new motor vehicle dealer
17 pursuant to Section 578.1 of this title, and
- 18 c. the factory has sixty (60) days from receipt of the
19 new motor vehicle dealer's relocation request to
20 approve or deny the request. The failure to approve
21 or deny the request within the sixty-day time frame
22 shall constitute approval of the request;

23 17. Being a factory which prohibits a new motor vehicle dealer
24 from adding additional line-makes to its existing facility, if,

1 after adding the additional line-makes, the facility satisfies the
2 written reasonable capitalization standards and facility guidelines
3 of each factory. Reasonable facility guidelines do not include a
4 requirement to maintain site control unless agreed to by the dealer
5 as set forth in subparagraphs e and f of paragraph 9 of this
6 subsection;

7 18. Being a factory that increases prices of new motor vehicles
8 which the new motor vehicle dealer had ordered for retail consumers
9 and notified the factory prior to the dealer's receipt of the
10 written official price increase notification. A sales contract
11 signed by a retail consumer accompanied with proof of order
12 submission to the factory shall constitute evidence of each such
13 order, provided that the vehicle is in fact delivered to the
14 customer. Price differences applicable to new models or series
15 motor vehicles at the time of the introduction of new models or
16 series shall not be considered a price increase for purposes of this
17 paragraph. Price changes caused by any of the following shall not
18 be subject to the provisions of this paragraph:

- 19 a. the addition to a motor vehicle of required or
- 20 optional equipment pursuant to state or federal law,
- 21 b. revaluation of the United States dollar in the case of
- 22 foreign-made vehicles or components, or
- 23 c. an increase in transportation charges due to increased
- 24 rates imposed by common or contract carriers;

1 19. Being a factory that requires a new motor vehicle dealer to
2 participate monetarily in an advertising campaign or contest, or
3 purchase any promotional materials, showroom or other display
4 decoration or materials at the expense of the new motor vehicle
5 dealer without consent of the dealer, which consent shall not be
6 unreasonably withheld;

7 20. Being a factory that denies any new motor vehicle dealer
8 the right of free association with any other new motor vehicle
9 dealer for any lawful purpose, unless otherwise permitted by this
10 chapter; or

11 21. Being a factory that requires a new motor vehicle dealer to
12 sell, offer to sell or sell exclusively an extended service ~~contact~~
13 contract, extended maintenance plan or similar product, such as gap
14 products offered, endorsed or sponsored by the factory by the
15 following means:

- 16 a. by an act or statement from the factory that will in
17 any manner adversely impact the dealer,
- 18 b. by measuring the dealer's performance under the
19 franchise based on the sale of extended service
20 contracts, extended maintenance plans or similar
21 products offered, endorsed or sponsored by the
22 manufacturer or distributor.

23 B. Notwithstanding the terms of any franchise agreement, in the
24 event of a proposed sale or transfer of a dealership, the

1 manufacturer or distributor shall be permitted to exercise a right
2 of first refusal to acquire the assets or ownership interest of the
3 dealer of the new vehicle dealership, if such sale or transfer is
4 conditioned upon the manufacturer or dealer entering into a dealer
5 agreement with the proposed new owner or transferee, only if all the
6 following requirements are met:

7 1. To exercise its right of first refusal, the factory must
8 notify the dealer in writing within sixty (60) days of receipt of
9 the completed proposal for the proposed sale transfer;

10 2. The exercise of the right of first refusal will result in
11 the dealer and the owner of the dealership receiving the same or
12 greater consideration as they have contracted to receive in
13 connection with the proposed change of ownership or transfer;

14 3. The proposed sale or transfer of the assets of the
15 dealership does not involve the transfer or sale to a member or
16 members of the family of one or more dealer owners, or to a
17 qualified manager or a partnership or corporation controlled by such
18 persons; and

19 4. The factory agrees to pay the reasonable expenses, including
20 attorney fees which do not exceed the usual, customary and
21 reasonable fees charged for similar work done for other clients
22 incurred by the proposed new owner and transferee prior to the
23 exercise by the factory of its right of first refusal in negotiating
24 and implementing the contract for the proposed sale or transfer of

1 the dealership or dealership assets. Notwithstanding the foregoing,
2 no payment of expenses and attorney fees shall be required if the
3 proposed new dealer or transferee has not submitted or caused to be
4 submitted an accounting of those expenses within thirty (30) days of
5 receipt of the written request of the factory for such an
6 accounting. The accounting may be requested by a factory before
7 exercising its right of first refusal.

8 C. Nothing in this section shall prohibit, limit, restrict or
9 impose conditions on:

10 1. Business activities, including without limitation the
11 dealings with motor vehicle manufacturers and the representatives
12 and affiliates of motor vehicle manufacturers, of any person that is
13 primarily engaged in the business of short-term, not to exceed
14 twelve (12) months, rental of motor vehicles and industrial and
15 construction equipment and activities incidental to that business,
16 provided that:

17 a. any motor vehicle sold by that person is limited to
18 used motor vehicles that have been previously used
19 exclusively and regularly by that person in the
20 conduct of business and used motor vehicles traded in
21 on motor vehicles sold by that person,

22 b. warranty repairs performed by that person on motor
23 vehicles are limited to those motor vehicles that it
24 owns, previously owned or takes in trade, and

1 c. motor vehicle financing provided by that person to
2 retail consumers for motor vehicles is limited to used
3 vehicles sold by that person in the conduct of
4 business; or

5 2. The direct or indirect ownership, affiliation or control of
6 a person described in paragraph 1 of this subsection.

7 SECTION 3. AMENDATORY 47 O.S. 2011, Section 581, as last
8 amended by Section 1, Chapter 223, O.S.L. 2015 (47 O.S. Supp. 2018,
9 Section 581), is amended to read as follows:

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

11 1. "Commission" means the Oklahoma Used Motor Vehicle and Parts
12 Commission;

13 2. "Compensation" means anything of value including money,
14 merchandise, rebates on purchases, trading stamps or any other thing
15 of value;

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

20 4. "Factory" means a manufacturer, distributor, factory branch,
21 distributor branch, factory representative or distributor
22 representative, which manufactures or distributes vehicle products;

23 5. "Manufactured home" means a residential dwelling in one or
24 more sections built in accordance with the National Manufactured

1 Housing Construction and Safety Standards Act of 1974, 42 U.S.C.,
2 Section 5401, et seq. and rules promulgated pursuant thereto;

3 6. a. "Manufactured home dealer" means any person who, for a
4 commission or with intent to make a profit or gain of
5 money or other thing of value, sells, offers to sell,
6 or attempts to negotiate a sale or exchange of
7 interest in, new or used manufactured homes, or that
8 is engaged wholly or in part in the business of
9 selling any new and unused, or used, or both new and
10 used manufactured homes. A valid franchise letter as
11 proof of authorization to sell any new manufactured
12 home product line or lines shall be attached to the
13 application for a dealer license to sell manufactured
14 homes. "Manufactured home dealer" shall include a
15 manufactured home auction. A manufactured home
16 auction shall mean any person selling more than
17 twenty-five manufactured homes in an auction or
18 liquidation format. Only licensed manufactured home
19 dealers shall be authorized to purchase manufactured
20 homes at such auctions.

21 b. "Manufactured home dealer" shall not include any
22 person who sells or contracts for the sale of a
23 personally titled manufactured home or homes, or
24 any person acting as an auctioneer who has been

1 engaged by a seller to direct, conduct, control,
2 or be responsible for the sale of manufactured
3 homes as a part of an auction or liquidation of
4 an estate, or any Oklahoma licensed real estate
5 broker or sales associate when buying or selling
6 used mobile homes as a part of a real estate
7 business. No person shall be considered a
8 manufactured home dealer as to any manufactured
9 home purchased or acquired by the person for
10 purposes other than resale; provided, that the
11 restriction set forth in this sentence shall not
12 prevent an otherwise qualified person from
13 utilizing a single manufactured home as a sales
14 office.

15 c. A holder of a lien on a manufactured home may
16 sell, exchange, or transfer by lease-purchase the
17 repossessed manufactured home and shall not be
18 required to be licensed pursuant to this chapter.
19 If the lienholder contracts with a person or
20 company to sell the repossessed manufactured home
21 and the person or company is not an employee,
22 officer or principal of the lienholder, such
23 person or company shall be licensed pursuant to
24 this chapter.

1 d. "Manufactured home dealer" shall not include any
2 person who sells mobile or manufactured homes
3 located in a mobile or manufactured home park or
4 community;

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

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

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

18 10. "Mobile home" means a residential dwelling fabricated in an
19 off-site manufacturing facility, designed to be a permanent
20 residence, but which is still transportable, that was built prior to
21 the enacting of the National Manufactured Housing Construction and
22 Safety Standards Act of 1974, 42 U.S.C., Section 5401 et seq.;

23 11. "Person" means an individual, business, corporation,
24 partnership, association, limited liability corporation, trust,

1 firm, or company or legal entity, but does not include any political
2 subdivision;

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

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

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

20 15. "Retail implement dealer" means a business engaged
21 primarily in the sale of farm tractors as defined in Section 1-
22 118 of this title or implements of husbandry as defined in
23 Section 1-125 of this title or a combination thereof;

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

5 17. "Used motor vehicle" means any motor vehicle, as that term
6 is defined in the Oklahoma Vehicle License and Registration Act, but
7 not including any all-terrain vehicles, utility vehicles, and
8 motorcycles used exclusively for off-road use which are sold by a
9 retail implement dealer, which has been sold, bargained, exchanged,
10 given away or the title thereto transferred from the person who
11 first took title from the manufacturer, importer, or dealer or agent
12 of the manufacturer or importer, or so used as to have become what
13 is commonly known as a "secondhand motor vehicle". In the event of
14 transfer, on the statement of origin, from the original franchised
15 dealer to any other dealer or individual other than a franchised
16 dealer of the same make of vehicle, the vehicle shall be considered
17 a used motor vehicle and must be titled in the new owner's name;

18 18. "Used motor vehicle auction" means any business other than
19 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 19. 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,

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, or
6 (8) any retail implement dealer that sells all-
7 terrain vehicles, utility vehicles, and
8 motorcycles used exclusively for off-road
9 use;

10 20. "Used motor vehicle salesperson" means a person employed by
11 a licensed used motor vehicle dealer to sell, broker, exchange, or
12 negotiate a purchase, sale, or rental with option to purchase, used
13 motor vehicles or an interest in used motor vehicles. The term
14 "used motor vehicle salesperson" shall not include any person who:

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

~~authorized to sell used motor vehicles for the
dealer at the motor vehicle dealer's licensed
franchise location and to represent the motor
vehicle dealer at used motor vehicle auctions
without obtaining a separate used motor vehicle
salesperson's license; and~~

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

SECTION 4. AMENDATORY 47 O.S. 2011, Section 582, as amended by Section 179, Chapter 304, O.S.L. 2012 (47 O.S. Supp. 2018, Section 582), is amended to read as follows:

Section 582. A. There is hereby created the Oklahoma Used Motor Vehicle and Parts Commission, to be composed of ten (10) members who shall be selected as follows:

1. One member shall be appointed from each congressional district and any remaining members, including the chair, shall be appointed from the state at large. However, when congressional districts are redrawn, each member appointed prior to July 1 of the

1 year in which such modification becomes effective shall complete the
2 current term of office and appointments made after July 1 of the
3 year in which such modification becomes effective shall be based on
4 the redrawn districts. Appointments made after July 1 of the year
5 in which such modification becomes effective shall be from any
6 redrawn districts which are not represented by a board member until
7 such time as each of the modified congressional districts are
8 represented by a board member; provided, the chair shall be
9 appointed at large without regard to congressional district
10 representation on the board;

11 2. All members shall be appointed by the Governor, by and with
12 the advice and consent of the Senate;

13 3. a. each of the members appointed from a congressional
14 district shall, at the time of appointment, be a
15 resident in good faith of the congressional district
16 from which appointed, and

17 b. each of the members appointed from the state at large
18 shall, at the time of appointment and during the
19 period of service, be residents in good faith of the
20 state;

21 4. Each member shall be of good moral character and, for the
22 ten-year period immediately preceding appointment, each of the used
23 motor vehicle dealer representatives shall have been licensed for
24 and actually engaged in the distribution or sale of used motor

1 vehicles; each of the dismantler representatives shall have actually
2 been licensed for and engaged in the principal business of
3 dismantling or disassembling motor vehicles for the purpose of
4 selling the parts thereof; and the manufactured housing
5 representative shall have been licensed for and actually engaged in
6 the principal business of selling manufactured homes; and

7 5. Eight members plus the chair shall be engaged in the used
8 motor vehicle industry or the automotive dismantler industry. There
9 shall not be fewer than five members engaged in the principal
10 business of the sale of used motor vehicles and there shall not be
11 fewer than two members engaged in the principal business of
12 dismantling or disassembling motor vehicles for the purpose of
13 selling the parts thereof. One of the at-large members shall be
14 engaged in the principal business of selling manufactured homes as a
15 licensed manufactured home dealer. Being engaged in one or more of
16 such pursuits shall not disqualify a person otherwise qualified from
17 serving on the Commission.

18 B. 1. The term of the chair shall be coterminous with that of
19 the Governor making the appointment, and until a successor is
20 appointed and is qualified.

21 2. The terms of office of each member of the Commission shall
22 be subject to the following:

- 23 a. the Commission shall determine and certify the trade
24 associations of manufactured home dealers that

1 represent ten percent (10%) or more of the number of
2 licensed manufactured home dealers in the state and
3 shall certify each such association to the Governor.
4 The Governor shall request a minimum of ten names from
5 each such association and shall select one member from
6 the manufactured home industry from the names
7 provided,

8 b. each member actively serving July 1, 2000, who was
9 appointed on or before June 30, 2000, shall remain and
10 fulfill the term of his or her membership as set forth
11 at the appointment,

12 c. except for the chair, the term of office of each
13 member of the Commission shall be for six (6) years,

14 d. except for the chair and the at-large members, the
15 term of office of any member will automatically expire
16 if the member moves out of the congressional district
17 from which appointed; however, if the congressional
18 districts are modified each member shall complete the
19 current term of office as provided in this section,

20 e. in event of death, resignation, or removal of any
21 person serving on the Commission, the vacancy shall be
22 filled by appointment as aforesaid for the unexpired
23 portion of the term,
24

1 f. except for the chair, when the term of a member
2 automatically expires, the vacancy shall be filled by
3 appointment of a qualified successor for a term of six
4 (6) years as aforesaid, except that the member shall
5 serve until a successor is appointed and qualified.

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

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

16 D. 1. a. The Commission shall appoint a qualified person to
17 serve as Executive Director who shall have had
18 sufficient management and organizational experience in
19 the automotive industry to direct the functions of the
20 Commission.

21 b. The Executive Director shall be appointed for a term
22 of six (6) years, and shall not be subject to
23 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 Section 581 et seq. of this
11 title.

12 3. The Commission shall maintain its office and transact its
13 business in Oklahoma City, and is authorized to adopt and use a
14 seal.

15 E. 1. a. The Commission is hereby vested with the powers and
16 duties necessary and proper to enable it to fully and
17 effectively carry out the provisions and objectives of
18 Section 581 et seq. of this title, and is hereby
19 authorized and empowered, pursuant to the
20 Administrative Procedures Act, to make and enforce all
21 reasonable rules and to adopt and prescribe all forms
22 necessary to accomplish said purpose.

23 b. The Commission shall promulgate rules for the
24 licensing of manufactured home installers and the

1 installation, which is the blocking, anchoring and
2 leveling of mobile and manufactured homes that meet
3 the standards of the manufacturer's manual or the
4 Commission.

5 c. The Commission shall promulgate rules to prescribe the
6 contents of manufactured home sales agreements and to
7 require that each manufactured home manufacturer issue
8 with each new manufactured home a warranty comparable
9 to warranties generally in use in the industry
10 warranting the manufactured home to be free from
11 material defects.

12 d. The enumeration of any power or authority herein shall
13 not be construed to deny, impair, disparage or limit
14 any others necessary to the attainment thereof.

15 e. A copy of all rules adopted by the Commission shall be
16 filed and recorded in the office of the Secretary of
17 State and the State Librarian and Archivist, and same
18 may be amended, modified or repealed from time to
19 time.

20 2. The Commission's powers and duties shall include, but not be
21 limited to, the following:

22 a. to license used motor vehicle dealers, ~~used motor~~
23 ~~vehicle salespersons,~~ wholesale used motor vehicle
24 dealers, dismantlers, manufactured home dealers,

1 manufactured home manufacturers, and manufactured home
2 installers,

3 b. to inspect used motor vehicle dealer, dismantler and
4 manufactured home dealer locations, and manufactured
5 home manufacturers' factories or assembly sites to
6 ensure that they are in an approved location, meet
7 local zoning or other municipal requirements, and have
8 sufficient facilities which shall include, but not be
9 limited to, for retail businesses, a business sign, a
10 listed and usable telephone number, a restroom, and a
11 sales office,

12 c. to inspect wholesale used motor vehicle dealer
13 locations to ensure that they are in an approved
14 location, meet local zoning or other municipal
15 requirements, and have sufficient facilities which
16 shall include, but not be limited to, a listed and
17 usable telephone number in the dealer's name and a
18 business office where records of the business are
19 kept,

20 d. to require all dealer sales to have a condition of
21 sale such as a warranty disclaimer, implied or written
22 warranty or a service contract approved by the
23 Commission,
24

- 1 e. to work with consumers and dealers to hear complaints
2 on used vehicles and manufactured homes, including
3 installation, and
- 4 f. to serve as a dispute resolution panel for binding
5 arbitration in accordance with Section ~~801~~ 1851 et
6 seq. of Title ~~15~~ 12 of the Oklahoma Statutes in
7 contract controversies between licensed used motor
8 vehicle dealers, dismantlers and manufactured housing
9 dealers, manufactured home dealers, installers, and
10 manufacturers and their consumers when, by mutual
11 written agreement executed after the dispute between
12 the parties has arisen, both parties have agreed to
13 use the Commission as their arbitration panel for
14 contract disputes.

15 F. 1. All fees and charges collected under the provisions of
16 Section 581 et seq. of this title shall be deposited by the
17 Executive Director in the State Treasury in accordance with the
18 depository laws of this state in a special fund to be known as the
19 "Oklahoma Used Motor Vehicle and Parts Commission Fund", which fund
20 is hereby created. Except as hereinafter provided, the monies in
21 the fund shall be used by the Commission for the purpose of carrying
22 out and enforcing the provisions of Section 581 et seq. of this
23 title. Expenditures from the fund shall be warrants issued by the
24 State Treasurer against claims submitted by the Commission to the

1 Director of the Office of Management and Enterprise Services for
2 approval.

3 2. At the close of each fiscal year, the Commission shall file
4 with the Governor and the State Auditor and Inspector a true and
5 correct report of all fees and charges collected and received by it
6 during the preceding fiscal year and shall at the same time pay into
7 the General Revenue Fund of the state a sum equal to ten percent
8 (10%) of the gross fees and charges so collected and received.

9 3. All expenses incurred by the Commission in carrying out the
10 provisions of Section 581 et seq. of this title including, but not
11 limited to, per diem, wages, salaries, rent, postage, advertising,
12 supplies, bond premiums, travel and subsistence for the
13 Commissioners, the Executive Director, employees, and legal counsel,
14 and printing and utilities, shall be a proper charge against the
15 fund, exclusive of the portion thereof to be paid into the General
16 Revenue Fund as above set out; provided, that in no event shall
17 liability ever accrue hereunder against the state in any sum
18 whatsoever, or against the Oklahoma Used Motor Vehicle and Parts
19 Commission Fund, in excess of the ninety percent (90%) of the fees
20 and charges deposited therein.

21 SECTION 5. AMENDATORY 47 O.S. 2011, Section 583, as last
22 amended by Section 1, Chapter 386, O.S.L. 2015 (47 O.S. Supp. 2018,
23 Section 583), is amended to read as follows:

24

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

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

21 b. ~~A used motor vehicle dealer's license shall authorize~~
22 ~~one person to sell without a salesperson's license in~~
23 ~~the event such person shall be the owner of a~~
24 ~~proprietorship, or the person designated as principal~~

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

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

19 d. ~~A salesperson's license may not be issued under a~~
20 ~~wholesale used motor vehicle dealer's license.~~

21 3. Any person except persons penalized by administrative fine
22 violating the provisions of this section shall, upon conviction, be
23 ~~fined~~ punished by a fine not to exceed Five Hundred Dollars
24 (\$500.00). A second or subsequent conviction shall be punished by a

1 fine not to exceed One Thousand Dollars (\$1,000.00); provided that
2 each day such unlicensed person violates this section shall
3 constitute a separate offense, and any vehicle involved in a
4 violation of this subsection shall be considered a separate offense.

5 B. 1. Applications for licenses required to be obtained under
6 the provisions of the Oklahoma Used Motor Vehicle and Parts
7 Commission shall be verified by the oath or affirmation of the
8 applicant and shall be on forms prescribed by the Commission and
9 furnished to the applicants, and shall contain such information as
10 the Commission deems necessary to enable it to fully determine the
11 qualifications and eligibility of the several applicants to receive
12 the license or licenses applied for. The Commission shall require
13 in the application, or otherwise, information relating to:

- 14 a. the applicant's financial standing,
- 15 b. the applicant's business integrity,
- 16 c. whether the applicant has an established place of
17 business and is engaged in the pursuit, avocation, or
18 business for which a license, or licenses, is applied
19 for,
- 20 d. whether the applicant is able to properly conduct the
21 business for which a license, or licenses, is applied
22 for, and

1 e. such other pertinent information consistent with the
2 safeguarding of the public interest and the public
3 welfare.

4 2. All applications for license or licenses shall be
5 accompanied by the appropriate fee or fees in accordance with the
6 schedule hereinafter provided. In the event any application is
7 denied and the license applied for is not issued, the entire license
8 fee shall be returned to the applicant.

9 3. All bonds and licenses issued under the provisions of this
10 act shall expire on December 31, following the date of issue and
11 shall be nontransferable. All applications for renewal of licenses
12 shall be submitted by November 1 of each year of expiration, and
13 licenses for completed renewals received by November 1 shall be
14 issued by January 10. If applications have not been made for
15 renewal of licenses, such licenses shall expire on December 31 and
16 it shall be illegal for any person to represent himself or herself
17 and act as a dealer thereafter. Tag agents shall be notified not to
18 accept dealers' titles until such time as licenses have been issued.
19 Beginning January 1, 2016, all licenses shall be issued for a period
20 of two (2) years and the appropriate fees shall be assessed. The
21 Commission shall adopt rules necessary to implement the two-year
22 licensing provisions.

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 and fees are on file with the Commission and the~~
3 ~~motor vehicle salesperson's or temporary salesperson's license~~
4 ~~issued. A temporary salesperson's license, salesperson's renewal or~~
5 ~~reissue of salesperson's license shall be deemed to have been issued~~
6 ~~when the appropriate application and fee have been properly~~
7 ~~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, Six Hundred Dollars
15 (\$600.00). 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 Three Hundred
19 Dollars (\$300.00); provided, if an applicant holds a license to
20 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 Two Hundred Dollars (\$200.00) and the renewal fee shall
23 be Two Hundred Dollars (\$200.00). 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 Four Hundred Dollars (\$400.00). 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 Two Hundred Dollars
6 (\$200.00);

7 2. For a used motor vehicle dealer's license, for each place of
8 business in addition to the principal place of business, Two Hundred
9 Dollars (\$200.00);

10 ~~3. For each used motor vehicle salesperson's license and~~
11 ~~renewal, Fifty Dollars (\$50.00), and for a transfer, Fifty Dollars~~
12 ~~(\$50.00);~~

13 ~~4.~~ For each holder who possesses a valid new motor vehicle
14 dealer's license from the Oklahoma Motor Vehicle Commission, Two
15 Hundred Dollars (\$200.00) shall be the initial fee for a used motor
16 vehicle license and the fee for each subsequent renewal shall be Two
17 Hundred Dollars (\$200.00);

18 ~~5.~~

19 4. a. For each manufactured home dealer's license or a
20 restricted manufactured home park dealer's license,
21 Six Hundred Dollars (\$600.00), and for each place of
22 business in addition to the principal place of
23 business, Four Hundred Dollars (\$400.00), and
24

1 b. For each renewal of a manufactured home dealer's
2 license or a restricted manufactured home park
3 dealer's license, and renewal for each place of
4 business in addition to the principal place of
5 business, Three Hundred Dollars (\$300.00);

6 ~~6.~~

7 5. a. For each manufactured home installer's license, Four
8 Hundred Dollars (\$400.00), and

9 b. For each renewal of a manufactured home installer's
10 license, Four Hundred Dollars (\$400.00); and

11 ~~7.~~

12 6. a. For each manufactured home manufacturer selling
13 directly to a licensed manufactured home dealer in
14 this state, One Thousand Five Hundred Dollars
15 (\$1,500.00), and

16 b. For each renewal of a manufactured home manufacturer's
17 license, One Thousand Five Hundred Dollars
18 (\$1,500.00); ~~and~~

19 ~~8. For each manufactured home salesperson's license or renewal~~
20 ~~thereof, Fifty Dollars (\$50.00), and for each transfer, Fifty~~
21 ~~Dollars (\$50.00).~~

22 D. 1. The license issued to each used motor vehicle dealer,
23 each wholesale used motor vehicle dealer, each restricted
24 manufactured home park dealer and each manufactured home dealer

1 shall specify the location of the place of business. If the
2 business location is changed, the Oklahoma Used Motor Vehicle and
3 Parts Commission shall be notified immediately of the change and the
4 Commission may endorse the change of location on the license. The
5 fee for a change of location shall be One Hundred Dollars (\$100.00),
6 and the fee for a change of name, Twenty-five Dollars (\$25.00). The
7 license of each licensee shall be posted in a conspicuous place in
8 the place or places of business of the licensee.

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

17 ~~3. Every used motor vehicle salesperson shall have the license~~
18 ~~upon his or her person when engaged in business, and shall display~~
19 ~~same upon request. The name of the employer of the salesperson~~
20 ~~shall be stated on the license and if there is a change of employer,~~
21 ~~the license holder shall immediately mail the license to the~~
22 ~~Commission for its endorsement of the change thereon. There shall~~
23 ~~be no penalty for not having a license upon his or her person.~~

24

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

8 E. 1. a. Each applicant for a used motor vehicle dealer's
9 license shall procure and file with the Commission a
10 good and sufficient bond in the amount of Twenty-five
11 Thousand Dollars (\$25,000.00). Each new applicant for
12 a used motor vehicle dealer's license for the purpose
13 of conducting a used motor vehicle auction shall
14 procure and file with the Commission a good and
15 sufficient bond in the amount of Fifty Thousand
16 Dollars (\$50,000.00). An applicant who intends to
17 conduct a used motor vehicle auction who provides
18 proof that the applicant has check and title insurance
19 in an amount not less than Fifty Thousand Dollars
20 (\$50,000.00) shall only be required to have a bond in
21 the amount of Twenty-five Thousand Dollars
22 (\$25,000.00).

23 b. Each new applicant for a used motor vehicle dealer
24 license for the purpose of conducting a used motor

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

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

16 d. Any used motor vehicle dealer who, for the purpose of
17 being a rebuilder, applies for a rebuilder
18 certificate, as provided in Section 591.5 of this
19 title, whether as a new application or renewal, shall
20 procure and file with the Commission a good and
21 sufficient bond in the amount of Fifteen Thousand
22 Dollars (\$15,000.00), in addition to any other bonds
23 required.
24

- 1 e. Each applicant for a manufactured home dealer's
2 license or a restricted manufactured home park
3 dealer's license shall procure and file with the
4 Commission a good and sufficient bond in the amount of
5 Thirty Thousand Dollars (\$30,000.00).
- 6 f. Each manufactured home manufacturing facility selling
7 directly to a licensed manufactured home dealer in
8 this state shall procure and file with the Commission
9 a good and sufficient bond in the amount of Thirty
10 Thousand Dollars (\$30,000.00). In addition to all
11 other conditions and requirements set forth herein,
12 the bond shall require the availability of prompt and
13 full warranty service by the manufacturer to comply
14 with all warranties expressed or implied in connection
15 with each manufactured home which is manufactured for
16 resale in this state. A manufacturer may not sell,
17 exchange, or lease-purchase a manufactured home to a
18 person in this state who is not a licensed
19 manufactured home dealer.
- 20 g. The bond shall be approved as to form by the Attorney
21 General and conditioned that the applicant shall not
22 practice fraud, make any fraudulent representation, or
23 violate any of the provisions of this act in the
24 conduct of the business for which the applicant is

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

7 2. The bonds as required by this section shall be maintained
8 throughout the period of licensure. Should the bond be canceled for
9 any reason, the license shall be revoked as of the date of
10 cancellation unless a new bond is furnished prior to such date.

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

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

23 H. Any manufactured home installer is required to furnish and
24 keep in force a minimum of Twenty-five Thousand Dollars (\$25,000.00)

1 of general liability with products and completed operations
2 insurance coverage.

3 SECTION 6. AMENDATORY 47 O.S. 2011, Section 584, as
4 amended by Section 3, Chapter 145, O.S.L. 2013 (47 O.S. Supp. 2018,
5 Section 584), is amended to read as follows:

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

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

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

18 3. For any willful failure to comply with any provision of
19 Section 581 et seq. of this title or with any rule promulgated by
20 the Commission under authority vested in it by Sections 581 through
21 588 of this title;

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

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

3 6. Being a used motor vehicle dealer, ~~used motor vehicle~~
4 ~~salesperson~~, a wholesale used motor vehicle dealer, or a
5 manufactured home dealer, a restricted manufactured home park
6 dealer, a manufactured home installer, or a manufactured home
7 manufacturer, ~~or manufactured home salesperson~~ who:

- 8 a. resorts to or uses any false or misleading advertising
9 in connection with business as a used motor vehicle
10 dealer ~~or salesperson~~, wholesale used motor vehicle
11 dealer or a restricted manufactured home park dealer
12 or manufactured home dealer, installer or
13 manufacturer,
- 14 b. has committed any unlawful act which resulted in the
15 revocation of any similar license in another state,
- 16 c. has been convicted of a crime involving moral
17 turpitude,
- 18 d. has committed a fraudulent act in selling, purchasing
19 or otherwise dealing in motor vehicles or manufactured
20 homes or has misrepresented the terms and conditions
21 of a sale, purchase or contract for sale or purchase
22 of a motor vehicle or manufactured home or any
23 interest therein including an option to purchase such
24 motor vehicles or manufactured homes,

- e. has engaged in business under a past or present license issued pursuant to Sections 581 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 Sections 581 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 or a restricted
manufactured home park 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. 1. 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:

- a. a display area for manufactured homes which is easily
accessible, with sufficient parking for the public,
- b. an office for conducting business where the books,
records, and files are kept, with access to a restroom
for the public,
- c. a place of business which meets all zoning occupancy
and other requirements of the appropriate local
government and regular occupancy by a person, firm, or

1 corporation engaged in the business of selling
2 manufactured homes, and

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

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

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

11 b. maintains an office for conducting business where the
12 books, records, and files are kept, with access to a
13 restroom for the public,

14 c. maintains a place of business which meets all zoning,
15 occupancy and other requirements of the appropriate
16 local government and regular occupancy by a person,
17 firm or corporation engaged in the business of selling
18 manufactured homes inside a park, and

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

21 C. The Commission shall deny an application for a license, or
22 revoke or suspend a license after it has been granted, if a
23 manufactured home installer:
24

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

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

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

12 E. The Commission shall deny an application for a license by a
13 motor vehicle manufacturer or factory if the application is for the
14 purpose of selling used motor vehicles to any retail consumer in the
15 state, other than through its retail franchised dealers, or acting
16 as a broker between a seller and a retail buyer. This subsection
17 does not prohibit a manufacturer from selling used motor vehicles
18 where the retail customer is a nonprofit organization or a federal,
19 state, or local government or agency. This subsection does not
20 prohibit a manufacturer from providing information to a consumer for
21 the purpose of marketing or facilitating the sale of used motor
22 vehicles or from establishing a program to sell or offer to sell
23 used motor vehicles through the manufacturer's retail franchised
24 dealers as provided for in Sections 561 through 580.2 of this title.

1 This subsection shall not prevent a factory from obtaining a
2 wholesale used motor vehicle dealer's license or the factory's
3 financing subsidiary from obtaining a wholesale used motor vehicle
4 dealer's license.

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

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

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

19 SECTION 7. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 564.2 of Title 47, unless there
21 is created a duplication in numbering, reads as follows:

22 It shall be punishable by an administrative fine not to exceed
23 Five Hundred Dollars (\$500.00) for any person, firm, association,
24 corporation or trust to engage in business as, or serve in the

1 capacity of, a new motor vehicle salesperson in this state without
2 first obtaining a certificate of registration with the Oklahoma
3 Motor Vehicle Commission. The cost of registration for each new
4 salesperson shall be set at Twenty-five Dollars (\$25.00) to be
5 renewed annually. The cost of registration is to be borne by the
6 employing entity of the new salesperson. The Commission shall
7 promulgate rules and procedures necessary for the implementation and
8 creation of the registry and the issuance of certificates of
9 registration.

10 SECTION 8. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 583.1 of Title 47, unless there
12 is created a duplication in numbering, reads as follows:

13 A. It shall be punishable by an administrative fine not to
14 exceed Five Hundred Dollars (\$500.00) for any person, firm,
15 association, corporation or trust to engage in business as, or serve
16 in the capacity of, a used motor vehicle salesperson in this state
17 without first obtaining a certificate of registration with the
18 Oklahoma Used Motor Vehicle and Parts Commission. The cost of
19 registration for each new salesperson shall be set at Twenty-five
20 Dollars (\$25.00) to be renewed annually. The cost of registration
21 is to be borne by the employing entity of the new salesperson. The
22 Commission shall promulgate rules and procedures necessary for the
23 implementation and creation of the registry and the issuance of
24 certificates of registration.

1 B. It shall be punishable by an administrative fine not to
2 exceed Five Hundred Dollars (\$500.00) for any person, firm,
3 association, corporation or trust to engage in business as, or serve
4 in the capacity of, a manufactured home salesperson in this state
5 without first obtaining a certificate of registration with the
6 Oklahoma Used Motor Vehicle and Parts Commission. The cost of
7 registration for each new salesperson shall be set at Twenty-five
8 Dollars (\$25.00) to be renewed annually. The cost of registration
9 is to be borne by the employing entity of the new salesperson. The
10 Commission shall promulgate rules and procedures necessary for the
11 implementation and creation of the registry and the issuance of
12 certificates of registration.

13 SECTION 9. This act shall become effective November 1, 2019.
14 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, COMMERCE AND TOURISM
15 April 4, 2019 - DO PASS
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