

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

HOUSE BILL 3095

By: Osburn

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S. 2011, Section 565, as last amended by Section 2, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2019, Section 565), which relates to Oklahoma Motor Vehicle Commission licensing; requiring certain employees to have certificates of registration; amending 47 O.S. 2011, Section 583, as last amended by Section 1, Chapter 221, O.S.L. 2019 (47 O.S. Supp. 2019, Section 583), which relates to used motor vehicle licensing; allowing one owner to obtain a certificate of registration; providing that a certificate of registration may not be issued under a wholesale used motor vehicle dealer's license; deleting certain used motor vehicle salesman licensing information; providing for registered persons to engage in certain activities; providing for temporary approval; deleting certain manufactured home licensing information; amending Section 8, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2019, Section 583.1), which relates to certificates of registration; allowing certain new vehicle salespeople to sell used vehicles; providing for registration fees and renewal; amending 47 O.S. 2011, Section 584, as last amended by Section 6, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2019, Section 584), which relates to Oklahoma Used Motor Vehicle and Parts Commission licensing; allowing for the denial of application and imposition of fines for certain salespeople; 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 565, as last
2 amended by Section 2, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2019,
3 Section 565), is amended to read as follows:

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

11 1. On satisfactory proof of unfitness of the applicant in any
12 application for any license under the provisions of Section 561 et
13 seq. of this title;

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

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

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

22 5. Being a new motor vehicle dealer who:

23 a. has required a purchaser of a new motor vehicle, as a
24 condition of sale and delivery thereof, to also

- 1 purchase special features, appliances, accessories or
2 equipment not desired or requested by the purchaser
3 and installed by the dealer,
- 4 b. uses any false or misleading advertising in connection
5 with business as a new motor vehicle dealer,
- 6 c. has committed any unlawful act which resulted in the
7 revocation of any similar license in another state,
- 8 d. has failed or refused to perform any written agreement
9 with any retail buyer involving the sale of a motor
10 vehicle,
- 11 e. has been convicted of a crime involving moral
12 turpitude,
- 13 f. has committed a fraudulent act in selling, purchasing
14 or otherwise dealing in new motor vehicles or has
15 misrepresented the terms and conditions of a sale,
16 purchase or contract for sale or purchase of a new
17 motor vehicle or any interest therein including an
18 option to purchase such vehicle,
- 19 g. has failed to meet or maintain the conditions and
20 requirements necessary to qualify for the issuance of
21 a license, or
- 22 h. completes any sale or transaction of an extended
23 service contract, extended maintenance plan, or
24 similar product using contract forms that do not

1 conspicuously disclose the identity of the service
2 contract provider;

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

5 7. Being a new motor vehicle dealer who:

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

7 b. does not provide for a suitable repair shop separate
8 from the display room with ample space to repair or
9 recondition one or more vehicles at the same time, and
10 which is equipped with such parts, tools and equipment
11 as may be requisite for the servicing of motor
12 vehicles in such a manner as to make them comply with
13 the safety laws of this state and to properly fulfill
14 the dealer's or manufacturer's warranty obligation,

15 c. does not hold a franchise in effect with a
16 manufacturer or distributor of new or unused motor
17 vehicles for the sale of the same and is not
18 authorized by the manufacturer or distributor to
19 render predelivery preparation of such vehicles sold
20 to purchasers and to perform any authorized post-sale
21 work pursuant to the manufacturer's or distributor's
22 warranty,

23 d. employs a person without obtaining a certificate of
24 registration for the person, or utilizes the services

1 of used motor vehicle lots or dealers or other
2 unlicensed persons in connection with the sale of new
3 motor vehicles,

4 e. does not properly service a new motor vehicle before
5 delivery of same to the original purchaser thereof, or

6 f. fails to order and stock a reasonable number of new
7 motor vehicles necessary to meet customer demand for
8 each of the new motor vehicles included in the new
9 motor vehicle dealer's franchise agreement, unless the
10 new motor vehicles are not readily available from the
11 manufacturer or distributor due to limited production;

12 8. Being a factory that has:

13 a. either induced or attempted to induce by means of
14 coercion or intimidation, any new motor vehicle
15 dealer:

16 (1) to accept delivery of any motor vehicle or
17 vehicles, parts or accessories therefor, or any
18 other commodities including advertising material
19 which shall not have been ordered by the new
20 motor vehicle dealer,

21 (2) to order or accept delivery of any motor vehicle
22 with special features, appliances, accessories or
23 equipment not included in the list price of the
24

1 motor vehicles as publicly advertised by the
2 manufacturer thereof, or

3 (3) to order or accept delivery of any parts,
4 accessories, equipment, machinery, tools,
5 appliances or any commodity whatsoever, or

6 b. induced under threat or discrimination by the
7 withholding from delivery to a motor vehicle dealer
8 certain models of motor vehicles, changing or amending
9 unilaterally the dealer's allotment of motor vehicles
10 and/or withholding and delaying delivery of such
11 vehicles out of the ordinary course of business, in
12 order to induce by such coercion any such dealer to
13 participate or contribute to any local or national
14 advertising fund controlled directly or indirectly by
15 the factory or for any other purposes such as contest,
16 "give-aways" or other so-called sales promotional
17 devices and/or change of quotas in any sales contest;
18 or has required motor vehicle dealers, as a condition
19 to receiving their vehicle allotment, to order a
20 certain percentage of the vehicles with optional
21 equipment not specified by the new motor vehicle
22 dealer; however, nothing in this section shall
23 prohibit a factory from supporting an advertising
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1 association which is open to all dealers on the same
2 basis;

3 9. Being a factory that:

4 a. has attempted to coerce or has coerced any new motor
5 vehicle dealer to enter into any agreement or to
6 cancel any agreement, or fails to act in good faith
7 and in a fair, equitable and nondiscriminatory manner;
8 or has directly or indirectly coerced, intimidated,
9 threatened or restrained any motor vehicle dealer; or
10 has acted dishonestly, or has failed to act in
11 accordance with the reasonable standards of fair
12 dealing,

13 b. has failed to compensate its dealers for the work and
14 services they are required to perform in connection
15 with the dealer's delivery and preparation obligations
16 according to the agreements on file with the
17 Commission which must be found by the Commission to be
18 reasonable, or fail to adequately and fairly
19 compensate its dealers for labor, parts and other
20 expenses incurred by such dealer to perform under and
21 comply with manufacturer's warranty agreements.
22 Adequate and fair compensation for parts shall be
23 established by the dealer submitting to the
24 manufacturer or distributor one hundred sequential

1 nonwarranty customer-paid service repair orders which
2 contain warranty-like parts, or ninety (90)
3 consecutive days of nonwarranty customer-paid service
4 repair orders which contain warranty-like parts,
5 whichever is less, covering repairs made no more than
6 one hundred eighty (180) days before the submission
7 and declaring the average percentage markup. Adequate
8 and fair compensation for labor shall be established
9 by the dealer submitting to the manufacturer or
10 distributor one hundred sequential customer-paid
11 service repair orders which contain labor charges, or
12 ninety (90) consecutive days of customer-paid service
13 repair orders which contain labor charges, whichever
14 is less. When submitting repair orders to calculate a
15 labor rate, a dealer need not include repair orders
16 for routine maintenance. A manufacturer or
17 distributor may, not later than thirty (30) days after
18 submission, rebut that declared rate in writing by
19 reasonably substantiating that the rate is inaccurate
20 or unreasonable in light of the practices of all other
21 franchised motor vehicle dealers in an economically
22 similar part of the state offering the same line-make
23 vehicles. The retail rate shall go into effect thirty
24 (30) days following the approval by the manufacturer,

1 subject to audit of the submitted repair orders by the
2 franchisor and a rebuttal of the declared rate as
3 described above. If the declared rate is rebutted,
4 the manufacturer or distributor shall propose an
5 adjustment in writing of the average percentage markup
6 based on that rebuttal not later than thirty (30) days
7 after submission. If the dealer does not agree with
8 the proposed average percentage markup, the dealer may
9 file a protest with the Commission not later than
10 thirty (30) days after receipt of that proposal by the
11 manufacturer or distributor. In the event a protest
12 is filed, the manufacturer or distributor shall have
13 the burden of proof to establish the new motor vehicle
14 dealer's submitted rate was inaccurate or unreasonable
15 in light of the practices of all other franchised
16 motor vehicle dealers in an economically similar part
17 of the state. A manufacturer or distributor may not
18 retaliate against any new motor vehicle dealer seeking
19 to exercise its rights under this provision. A
20 manufacturer or distributor may require a dealer to
21 submit repair orders in accordance with this section
22 in order to validate a dealer's retail rate for parts
23 or labor not more often than once every twelve (12)
24 months. All claims made by dealers for compensation

1 for delivery, preparation and warranty work shall be
2 paid within thirty (30) days after approval and shall
3 be approved or disapproved within thirty (30) days
4 after receipt. When any claim is disapproved, the
5 dealer shall be notified in writing of the grounds for
6 disapproval. The dealer's delivery, preparation and
7 warranty obligations as filed with the Commission
8 shall constitute the dealer's sole responsibility for
9 product liability as between the dealer and
10 manufacturer. A factory may reasonably and
11 periodically audit a new motor vehicle dealer to
12 determine the validity of paid claims for dealer
13 compensation or any charge-backs for warranty parts or
14 service compensation. Except in cases of suspected
15 fraud, audits of warranty payments shall only be for
16 the one-year period immediately following the date of
17 the payment. A manufacturer shall reserve the right
18 to reasonable, periodic audits to determine the
19 validity of paid claims for dealer compensation or any
20 charge-backs for consumer or dealer incentives.
21 Except in cases of suspected fraud, audits of
22 incentive payments shall only be for a one-year period
23 immediately following the date of the payment. A
24 factory shall not deny a claim or charge a new motor

1 vehicle dealer back subsequent to the payment of the
2 claim unless the factory can show that the claim was
3 false or fraudulent or that the new motor vehicle
4 dealer failed to reasonably substantiate the claim by
5 the written reasonable procedures of the factory. The
6 factory shall provide written notice to a dealer of a
7 proposed charge-back that is the result of an audit
8 along with the specific audit results and proposed
9 charge-back amount. A dealer that receives notice of
10 a proposed charge-back pursuant to a factory's audit
11 has the right to file a protest with the Commission
12 within thirty (30) days after receipt of the notice of
13 the charge-back or audit results, whichever is later.
14 The factory is prohibited from implementing the
15 charge-back or debiting the dealer's account until
16 either the time frame for filing a protest has passed
17 or a final adjudication is rendered by the Commission,
18 whichever is later, unless the dealer has agreed to
19 the charge-back or charge-backs,

- 20 c. unreasonably fails or refuses to offer to its same
21 line-make franchised dealers all models manufactured
22 for that line-make, or unreasonably requires a dealer
23 to pay any extra fee, purchase unreasonable
24 advertising displays or other materials, or remodel,

1 renovate, or recondition the dealer's existing
2 facilities as a prerequisite to receiving a model or
3 series of vehicles. The failure to deliver any such
4 new motor vehicle shall not be considered a violation
5 of the section if the failure is not arbitrary or is
6 due to lack of manufacturing capacity or to a strike
7 or labor difficulty, a shortage of materials, a
8 freight embargo or other cause over which the
9 manufacturer has no control. However, this
10 subparagraph shall not apply to recreational vehicles
11 or limited production model vehicles,

- 12 d. except as necessary to comply with a health or safety
13 law, or to comply with a technology requirement which
14 is necessary to sell or service a motor vehicle that
15 the franchised motor vehicle dealer is authorized or
16 licensed by the franchisor to sell or service,
17 requires a new motor vehicle dealer to construct a new
18 facility or substantially renovate the new motor
19 vehicle dealer's existing facility unless the facility
20 construction or renovation is justified by the
21 economic conditions existing at the time, as well as
22 the reasonably foreseeable projections, in the
23 automotive industry. However, this subparagraph shall
24 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,

f. requires a new motor vehicle dealer to enter into a site-control agreement covering any or all of the new motor vehicle dealer's facilities or premises; provided, that this provision shall not restrict the terms of any site-control agreement 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. Notwithstanding the foregoing or the terms of any site-control agreement, a site-control agreement automatically extinguishes if all of the factory's

1 franchises that operated from the location that are
2 the subject of the site-control agreement are
3 terminated by the factory as part of the
4 discontinuance of a product line, or

5 g. requires a new motor vehicle dealer to purchase goods
6 or services for the construction, renovation, or
7 improvement of the dealer's facility from a vendor
8 chosen by the factory if goods or services available
9 from other sources are of substantially similar
10 quality and design and comply with all applicable
11 laws; provided, however, that such goods are not
12 subject to the factory's intellectual property or
13 trademark rights and the new motor vehicle dealer has
14 received the factory's approval, which approval may
15 not be unreasonably withheld. Nothing in this
16 subparagraph may be construed to allow a new motor
17 vehicle dealer to impair or eliminate a factory's
18 intellectual property, trademark rights or trade dress
19 usage guidelines. Nothing in this section prohibits
20 the enforcement of a voluntary agreement between the
21 factory and the new motor vehicle dealer where
22 separate and valuable consideration has been offered
23 and accepted;

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

7 11. Being a factory that sells directly or indirectly new motor
8 vehicles to any retail consumer in the state except through a new
9 motor vehicle dealer holding a franchise for the line-make that
10 includes the new motor vehicle. This paragraph does not apply to
11 factory sales of new motor vehicles to its employees, family members
12 of employees, retirees and family members of retirees, not-for-
13 profit organizations or the federal, state or local governments.
14 The provisions of this paragraph shall not preclude a factory from
15 providing information to a consumer for the purpose of marketing or
16 facilitating a sale of a new motor vehicle or from establishing a
17 program to sell or offer to sell new motor vehicles through
18 participating dealers;

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

- 20 (1) owns any ownership interest or has any financial
21 interest in a new motor vehicle dealer or any
22 person who sells products or services to the
23 public,

- 1 (2) operates or controls a new motor vehicle dealer,
2 or
3 (3) acts in the capacity of a new motor vehicle
4 dealer.

5 b. (1) This paragraph does not prohibit a factory from
6 owning or controlling a new motor vehicle dealer
7 while in a bona fide relationship with a dealer
8 development candidate who has made a substantial
9 initial investment in the franchise and whose
10 initial investment is subject to potential loss.
11 The dealer development candidate can reasonably
12 expect to acquire full ownership of a new motor
13 vehicle dealer within a reasonable period of time
14 not to exceed ten (10) years and on reasonable
15 terms and conditions. The ten-year acquisition
16 period may be expanded for good cause shown.

- 17 (2) This paragraph does not prohibit a factory from
18 owning, operating, controlling or acting in the
19 capacity of a motor vehicle dealer for a period
20 not to exceed twelve (12) months during the
21 transition from one dealer to another dealer if
22 the dealership is for sale at a reasonable price
23 and on reasonable terms and conditions to an
24 independent qualified buyer. On showing by a

1 factory of good cause, the Oklahoma Motor Vehicle
2 Commission may extend the time limit set forth
3 above; extensions may be granted for periods not
4 to exceed twelve (12) months.

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

9 (4) This paragraph does not prohibit a factory from
10 owning, directly or indirectly, a minority
11 interest in an entity that owns, operates or
12 controls motor vehicle dealerships of the same
13 line-make franchised by the manufacturer,
14 provided that each of the following conditions
15 are met:

16 (a) all of the motor vehicle dealerships selling
17 the motor vehicles of that manufacturer in
18 this state trade exclusively in the line-
19 make of that manufacturer,

20 (b) all of the franchise agreements of the
21 manufacturer confer rights on the dealer of
22 the line-make to develop and operate, within
23 a defined geographic territory or area, as
24

many dealership facilities as the dealer and manufacturer shall agree are appropriate,

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

(d) during any period in which the manufacturer has such an ownership interest, the manufacturer has no more than three franchise agreements with new motor vehicle 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

1 may from time to time seek to own or
2 acquire, directly or indirectly, ownership
3 interests in retail dealerships;

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

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

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

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

21 16. Being a factory which prohibits a new motor vehicle dealer
22 from relocating after a written request by such new motor vehicle
23 dealer if:
24

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

14 17. Being a factory which prohibits a new motor vehicle dealer
15 from adding additional line-makes to its existing facility, if,
16 after adding the additional line-makes, the facility satisfies the
17 written reasonable capitalization standards and facility guidelines
18 of each factory. Reasonable facility guidelines do not include a
19 requirement to maintain site control unless agreed to by the dealer
20 as set forth in subparagraphs e and f of paragraph 9 of this
21 subsection;

22 18. Being a factory that increases prices of new motor vehicles
23 which the new motor vehicle dealer had ordered for retail consumers
24 and notified the factory prior to the dealer's receipt of the

1 written official price increase notification. A sales contract
2 signed by a retail consumer accompanied with proof of order
3 submission to the factory shall constitute evidence of each such
4 order, provided that the vehicle is in fact delivered to the
5 customer. Price differences applicable to new models or series
6 motor vehicles at the time of the introduction of new models or
7 series shall not be considered a price increase for purposes of this
8 paragraph. Price changes caused by any of the following shall not
9 be subject to the provisions of this paragraph:

- 10 a. the addition to a motor vehicle of required or
11 optional equipment pursuant to state or federal law,
- 12 b. revaluation of the United States dollar in the case of
13 foreign-made vehicles or components, or
- 14 c. an increase in transportation charges due to increased
15 rates imposed by common or contract carriers;

16 19. Being a factory that requires a new motor vehicle dealer to
17 participate monetarily in an advertising campaign or contest, or
18 purchase any promotional materials, showroom or other display
19 decoration or materials at the expense of the new motor vehicle
20 dealer without consent of the dealer, which consent shall not be
21 unreasonably withheld;

22 20. Being a factory that denies any new motor vehicle dealer
23 the right of free association with any other new motor vehicle
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1 dealer for any lawful purpose, unless otherwise permitted by this
2 chapter; or

3 21. Being a factory that requires a new motor vehicle dealer to
4 sell, offer to sell or sell exclusively an extended service
5 contract, extended maintenance plan or similar product, such as gap
6 products offered, endorsed or sponsored by the factory by the
7 following means:

8 a. by an act or statement from the factory that will in
9 any manner adversely impact the dealer,

10 b. by measuring the dealer's performance under the
11 franchise based on the sale of extended service
12 contracts, extended maintenance plans or similar
13 products offered, endorsed or sponsored by the
14 manufacturer or distributor.

15 B. Notwithstanding the terms of any franchise agreement, in the
16 event of a proposed sale or transfer of a dealership, the
17 manufacturer or distributor shall be permitted to exercise a right
18 of first refusal to acquire the assets or ownership interest of the
19 dealer of the new vehicle dealership, if such sale or transfer is
20 conditioned upon the manufacturer or dealer entering into a dealer
21 agreement with the proposed new owner or transferee, only if all the
22 following requirements are met:
23
24

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

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

8 3. The proposed sale or transfer of the assets of the
9 dealership does not involve the transfer or sale to a member or
10 members of the family of one or more dealer owners, or to a
11 qualified manager or a partnership or corporation controlled by such
12 persons; and

13 4. The factory agrees to pay the reasonable expenses, including
14 attorney fees which do not exceed the usual, customary and
15 reasonable fees charged for similar work done for other clients
16 incurred by the proposed new owner and transferee prior to the
17 exercise by the factory of its right of first refusal in negotiating
18 and implementing the contract for the proposed sale or transfer of
19 the dealership or dealership assets. Notwithstanding the foregoing,
20 no payment of expenses and attorney fees shall be required if the
21 proposed new dealer or transferee has not submitted or caused to be
22 submitted an accounting of those expenses within thirty (30) days of
23 receipt of the written request of the factory for such an
24

1 accounting. The accounting may be requested by a factory before
2 exercising its right of first refusal.

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

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

12 a. any motor vehicle sold by that person is limited to
13 used motor vehicles that have been previously used
14 exclusively and regularly by that person in the
15 conduct of business and used motor vehicles traded in
16 on motor vehicles sold by that person,

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

20 c. motor vehicle financing provided by that person to
21 retail consumers for motor vehicles is limited to used
22 vehicles sold by that person in the conduct of
23 business; or
24

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

3 SECTION 2. AMENDATORY 47 O.S. 2011, Section 583, as last
4 amended by Section 1, Chapter 221, O.S.L. 2019 (47 O.S. Supp. 2019,
5 Section 583), is amended to read as follows:

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

16 2. a. Any person engaging, acting, or serving in the
17 capacity of a used motor vehicle dealer and/or a used
18 motor vehicle salesperson, a manufactured home dealer,
19 restricted manufactured home park dealer, manufactured
20 home salesperson, a manufactured home installer, or a
21 manufactured home manufacturer, or having more than
22 one place where any such business, or combination of
23 businesses, is carried on or conducted shall be
24

1 required to obtain and hold a current license for each
2 such business, in which engaged.

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

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

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

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

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

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

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

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

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

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

14 3. All bonds and licenses issued under the provisions of this
15 act shall expire on December 31, following the date of issue and
16 shall be nontransferable. All applications for renewal of licenses
17 shall be submitted by November 1 of each year of expiration, and
18 licenses for completed renewals received by November 1 shall be
19 issued by January 10. If applications have not been made for
20 renewal of licenses, such licenses shall expire on December 31 and
21 it shall be illegal for any person to represent himself or herself
22 and act as a dealer thereafter. Tag agents shall be notified not to
23 accept dealers' titles until such time as licenses have been issued.
24 Beginning January 1, 2016, all licenses shall be issued for a period

1 of two (2) years and the appropriate fees shall be assessed. The
2 Commission shall adopt rules necessary to implement the two-year
3 licensing provisions.

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

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

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

22 1. For each used motor vehicle dealer's license and each
23 wholesale used motor vehicle dealer's license, Six Hundred Dollars
24 (\$600.00). If a used motor vehicle dealer or a wholesale used motor

1 vehicle dealer has once been licensed by the Commission in the
2 classification for which he or she applies for a renewal of the
3 license, the fee for each subsequent renewal shall be Three Hundred
4 Dollars (\$300.00); provided, if an applicant holds a license to
5 conduct business as an automotive dismantler and parts recycler
6 issued pursuant to Section 591.1 et seq. of this title, the initial
7 fee shall be Two Hundred Dollars (\$200.00) and the renewal fee shall
8 be Two Hundred Dollars (\$200.00). If an applicant is applying
9 simultaneously for a license under this paragraph and a license
10 under paragraph 1 of Section 591.5 of this title, the initial
11 application fee shall be Four Hundred Dollars (\$400.00). For the
12 reinstatement of a used motor vehicle dealer's license after
13 revocation for cancellation or expiration of insurance pursuant to
14 subsection F of this section, the fee shall be Two Hundred Dollars
15 (\$200.00);

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

19 ~~3. For each used motor vehicle salesperson's license and~~
20 ~~renewal, Fifty Dollars (\$50.00), and for a transfer, Fifty Dollars~~
21 ~~(\$50.00);~~

22 ~~4.~~ For each holder who possesses a valid new motor vehicle
23 dealer's license from the Oklahoma Motor Vehicle Commission, Two
24 Hundred Dollars (\$200.00) shall be the initial fee for a used motor

1 vehicle license and the fee for each subsequent renewal shall be Two
2 Hundred Dollars (\$200.00);

3 ~~5.~~ 4.

4 a. For each manufactured home dealer's license or a
5 restricted manufactured home park dealer's license,
6 Six Hundred Dollars (\$600.00), and for each place of
7 business in addition to the principal place of
8 business, Four Hundred Dollars (\$400.00), and

9 b. For each renewal of a manufactured home dealer's
10 license or a restricted manufactured home park
11 dealer's license, and renewal for each place of
12 business in addition to the principal place of
13 business, Three Hundred Dollars (\$300.00);

14 ~~6.~~ 5.

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

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

19 ~~7.~~ 6.

20 a. For each manufactured home manufacturer selling
21 directly to a licensed manufactured home dealer in
22 this state, One Thousand Five Hundred Dollars
23 (\$1,500.00), and
24

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

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

~~9.~~ 7. Any manufactured home manufacturer who sells a new manufactured home to be shipped to or sited in the State of Oklahoma shall pay an installation inspection fee of Seventy-five Dollars (\$75.00) for each new single-wide manufactured home and One Hundred Twenty-five Dollars (\$125.00) for each new multi-floor manufactured home; and

~~10.~~ 8. A used manufactured home inspection fee of Seventy-five Dollars (\$75.00) shall be paid by the installer at or before the time of installation of any used manufactured home sited and installed in the State of Oklahoma.

D. 1. The license issued to each used motor vehicle dealer, each wholesale used motor vehicle dealer, each restricted manufactured home park dealer and each manufactured home dealer shall specify the location of the place of business. If the business location is changed, the Oklahoma Used Motor Vehicle and Parts Commission shall be notified immediately of the change and the Commission may endorse the change of location on the license. The fee for a change of location shall be One Hundred Dollars (\$100.00),

1 and the fee for a change of name, Twenty-five Dollars (\$25.00). The
2 license of each licensee shall be posted in a conspicuous place in
3 the place or places of business of the licensee.

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

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

21 4. Every manufactured home installer shall have the license
22 available for inspection at the primary place of business of the
23 licensee. This license shall be valid for the licensee and all of
24 the employees of the licensee. Any person who is not an employee of

1 the licensee must obtain a separate manufactured home installer
2 license regardless of whether such person is acting in the capacity
3 of a contractor or subcontractor.

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

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

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

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

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

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

1 f. Each manufactured home manufacturing facility selling
2 directly to a licensed manufactured home dealer in
3 this state shall procure and file with the Commission
4 a good and sufficient bond in the amount of Thirty
5 Thousand Dollars (\$30,000.00). In addition to all
6 other conditions and requirements set forth herein,
7 the bond shall require the availability of prompt and
8 full warranty service by the manufacturer to comply
9 with all warranties expressed or implied in connection
10 with each manufactured home which is manufactured for
11 resale in this state. A manufacturer may not sell,
12 exchange, or lease-purchase a manufactured home to a
13 person in this state who is not a licensed
14 manufactured home dealer.

15 g. The bond shall be approved as to form by the Attorney
16 General and conditioned that the applicant shall not
17 practice fraud, make any fraudulent representation, or
18 violate any of the provisions of this act in the
19 conduct of the business for which the applicant is
20 licensed. One of the purposes of the bond is to
21 provide reimbursement for any loss or damage suffered
22 by any person by reason of issuance of a certificate
23 of title by a used motor vehicle dealer, a wholesale
24

1 used motor vehicle dealer, a restricted manufactured
2 home park dealer or a manufactured home dealer.

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

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

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

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

23 SECTION 3. AMENDATORY Section 8, Chapter 79, O.S.L. 2019
24 (47 O.S. Supp. 2019, Section 583.1), is amended to read as follows:

1 Section 583.1 A. It shall be punishable by an administrative
2 fine not to exceed Five Hundred Dollars (\$500.00) for any person,
3 firm, association, corporation or trust to engage in business as, or
4 serve in the capacity of, a used motor vehicle salesperson in this
5 state without first obtaining a certificate of registration with the
6 Oklahoma Used Motor Vehicle and Parts Commission. However, a person
7 may sell used motor vehicles without obtaining a separate used motor
8 vehicle salesperson's certificate of registration if the person has
9 a certificate of registration from the Oklahoma Motor Vehicle
10 Commission to sell new or unused motor vehicles at a new motor
11 vehicle dealer's licensed franchise location which also sells used
12 vehicles; provided, such a person shall only be authorized to sell
13 used motor vehicles for the dealer at the new motor vehicle dealer's
14 licensed franchise location and to represent the new motor vehicle
15 dealer at used motor vehicle auctions. The cost of the registration
16 for each salesperson shall be Fifty Dollars (\$50.00) to be renewed
17 biennially and, for a transfer, Twenty-five Dollars (\$25.00). ~~The~~
18 ~~cost of registration for each new salesperson shall be set at~~
19 ~~Twenty-five Dollars (\$25.00) to be renewed annually.~~ The cost of
20 registration is to be borne by the employing entity of the ~~new~~
21 salesperson. The Oklahoma Used Motor Vehicle and Parts Commission
22 shall promulgate rules and procedures necessary for the
23 implementation and creation of ~~the~~ a registry of salespersons and
24 the issuance of 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 the
9 registration for each salesperson shall be Fifty Dollars (\$50.00) to
10 be renewed biennially and, for a transfer, Twenty-five Dollars
11 (\$25.00). The cost of registration is to be borne by the employing
12 entity of the ~~new~~ salesperson. The Commission shall promulgate
13 rules and procedures necessary for the implementation and creation
14 of ~~the~~ a registry of salespersons and the issuance of certificates
15 of registration.

16 SECTION 4. AMENDATORY 47 O.S. 2011, Section 584, as last
17 amended by Section 6, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2019,
18 Section 584), is amended to read as follows:

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

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

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

7 3. For any willful failure to comply with any provision of
8 Section 581 et seq. of this title or with any rule promulgated by
9 the Commission under authority vested in it by Sections 581 through
10 588 of this title;

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

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

15 6. Being a used motor vehicle dealer, a used motor vehicle
16 salesperson, a wholesale used motor vehicle dealer, or a
17 manufactured home dealer, a restricted manufactured home park
18 dealer, a manufactured home installer, a manufactured home
19 salesperson or a manufactured home manufacturer who:

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

- b. has committed any unlawful act which resulted in the revocation of any similar license in another state,
- c. has been convicted of a crime involving moral turpitude,
- d. has committed a fraudulent act in selling, purchasing or otherwise dealing in motor vehicles or manufactured homes or has misrepresented the terms and conditions of a sale, purchase or contract for sale or purchase of a motor vehicle or manufactured home or any interest therein including an option to purchase such motor vehicles or manufactured homes,
- e. has engaged in business under a past or present license issued pursuant to 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

- 1 i. employs ~~unlicensed persons~~ a person in connection with
2 the sale of manufactured homes without first obtaining
3 a certificate of registration for the person;

4 7. Being a used motor vehicle dealer who:

- 5 a. does not have an established place of business,
6 b. employs ~~unlicensed persons~~ a person in connection with
7 the sale of used vehicles without first obtaining a
8 certificate of registration for the person,
9 c. fails or refuses to furnish or keep in force single
10 limit liability insurance on any vehicle offered for
11 sale and otherwise required under the financial
12 responsibility laws of this state, or
13 d. is not operating from the address shown on the license
14 if this change has not been reported to the
15 Commission; or

16 8. Being a manufactured home dealer or a restricted
17 manufactured home park dealer who:

- 18 a. does not have an established place of business,
19 b. fails or refuses to furnish or keep in force garage
20 liability and completed operations insurance, or
21 c. is not operating from the address shown on the license
22 if this change has not been reported to the
23 Commission.

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

- 5 a. a display area for manufactured homes which is easily
6 accessible, with sufficient parking for the public,
- 7 b. an office for conducting business where the books,
8 records, and files are kept, with access to a restroom
9 for the public,
- 10 c. a place of business which meets all zoning, occupancy
11 and other requirements of the appropriate local
12 government and regular occupancy by a person, firm, or
13 corporation engaged in the business of selling
14 manufactured homes, and
- 15 d. a place of business which is separate and apart from
16 any other dealer's location.

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

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

- 1 b. maintains an office for conducting business where the
2 books, records, and files are kept, with access to a
3 restroom for the public,
4 c. maintains a place of business which meets all zoning,
5 occupancy and other requirements of the appropriate
6 local government and regular occupancy by a person,
7 firm or corporation engaged in the business of selling
8 manufactured homes inside a park, and
9 d. maintains a place of business which is separate and
10 apart from any other dealer's location.

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

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

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

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

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

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

22 G. Each of the aforementioned grounds for suspension,
23 revocation, or denial of issuance or renewal of license shall also
24 constitute a violation of Sections 581 through 588 of this title,

1 unless the person involved has been tried and acquitted of the
2 offense constituting such grounds.

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

8 SECTION 5. This act shall become effective November 1, 2020.

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