BILL SUMMARY 2nd Session of the 58th Legislature

Bill No.: Version: Request Number: Author: Date: Impact: Pr

HB 3994 FA1 11054 Rep. Dobrinski 3/21/2022 Preliminary Statement

Motor Vehicle Commission

Fees to be Determined by Commission

Research Analysis

The Floor Amendment to HB 3994 makes numerous changes to motor vehicle dealers and the relationship with manufacturers and consumers. The measure allows a person to apply for licensure as a motor vehicle direct shipper license. It is unlawful to make delivery of a new motor vehicle from outside Oklahoma unless the deliver is made by a person licensed in Oklahoma. The measure outlines how a factory or third party acting on behalf of a third party is to treat consumer data.

The measure modifies the definition of "new motor vehicle dealer" to include persons who lease, exchange or covey a new motor vehicle or accepts orders for sale, lease, exchange or other conveyance of a new motor vehicle, offers test drives or demonstrations of functions or features, or otherwise engages in any way in the business of selling, leasing, exchanging new motor vehicles and used motor vehicles, including software and hardware upgrades or changes. The measure provides a definition of "consumer data" that is collected by a dealer and provided by the dealer to a manufacturer or third party acting on behalf of a manufacturer. Provides a definition of "data management system" owned by a dealer. The measure defines "fleet vehicle". The measure provides that a factory or an entity affiliated by any ownership or control by the factory is not permitted to be licensed as a motor vehicle dealer. The measure provides that the initial fee for each motor vehicle direct shipper is to be \$300 with an annual renewal of \$100. The measure exempts manufacturers operating in Oklahoma from certain provisions when performing warranty repairs on its vehicles. The measure clarifies the ability of the Oklahoma Motor Vehicle Commission to impose a fine for violations and clarifies possible violations. The measure allows for a designated successor to a departing dealership operator. The measure authorizes a dealer to bring an action for a temporary or permanent injunction restraining a person from acting as a licensee. The measure clarifies "relevant market area" of a proposed new motor vehicle dealership. The measure provides a definition of "motor vehicle liability policy"

Prepared By: Brad Wolgamott

Fiscal Analysis

The measure includes various provisions related to new motor vehicle dealers. Included within the measure is a license for a motor vehicle direct shipper. The bill indicates the amount of the fee to be \$300 for initial issuance and \$100 for annual renewals.. Other provisions include modifications of certain definitions and clarification of violations and fines associated with violations.

Prepared By: Mark Tygret

Other Considerations

None.

© 2021 Oklahoma House of Representatives, see Copyright Notice at <u>www.okhouse.gov</u>