

1 ENGROSSED SENATE
2 BILL NO. 729

By: Rosino of the Senate

3 and

4 Echols of the House

5
6 An Act relating to motor vehicle delivery; amending
7 47 O.S. 2021, Section 584, as last amended by Section
8 4, Chapter 192, O.S.L. 2022 (47 O.S. Supp. 2022,
9 Section 584), which relates to the basis for denial,
10 revocation, or suspension of license; providing
11 certain exemption; and providing an effective date.

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

13 SECTION 1. AMENDATORY 47 O.S. 2021, Section 584, as last
14 amended by Section 4, Chapter 192, O.S.L. 2022 (47 O.S. Supp. 2022,
15 Section 584), is amended to read as follows:

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

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

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

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

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

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

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

- 17 a. resorts to or uses any false or misleading advertising
18 in connection with business as a used motor vehicle
19 dealer, wholesale used motor vehicle dealer or a
20 restricted manufactured home park dealer or
21 manufactured home dealer, installer or manufacturer,
22 b. has committed any unlawful act which resulted in the
23 revocation of any similar license in another state,
24

- 1 c. has been convicted of a felony crime that
2 substantially relates to the occupation of a used
3 motor vehicle dealer, a wholesale used motor vehicle
4 dealer, a manufactured home dealer, a restricted
5 manufactured home park dealer, a manufactured home
6 installer or a manufactured home manufacturer and
7 poses a reasonable threat to public safety,
- 8 d. has committed a fraudulent act in selling, purchasing
9 or otherwise dealing in motor vehicles or manufactured
10 homes or has misrepresented the terms and conditions
11 of a sale, purchase or contract for sale or purchase
12 of a motor vehicle or manufactured home or any
13 interest therein including an option to purchase such
14 motor vehicles or manufactured homes,
- 15 e. has engaged in business under a past or present
16 license issued pursuant to Sections 581 through 588 of
17 this title, in such a manner as to cause injury to the
18 public or to those with whom the licensee is dealing,
- 19 f. has failed to meet or maintain the conditions and
20 requirements necessary to qualify for the issuance of
21 a license,
- 22 g. has failed or refused to furnish and keep in force any
23 bond required under Sections 581 through 588 of this
24 title,

1 h. has installed or attempted to install a manufactured
2 home in an unworkmanlike manner, or

3 i. employs a person in connection with the sale of
4 manufactured homes without first obtaining a
5 certificate of registration for the person;

6 7. Being a used motor vehicle dealer who:

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

8 b. employs a person in connection with the sale of used
9 vehicles without first obtaining a certificate of
10 registration for the person,

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

15 d. is not operating from the address shown on the license
16 if this change has not been reported to the
17 Commission; or

18 8. Being a manufactured home dealer or a restricted
19 manufactured home park dealer who:

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

21 b. fails or refuses to furnish or keep in force garage
22 liability and completed operations insurance, or
23
24

1 c. is not operating from the address shown on the license
2 if this change has not been reported to the
3 Commission.

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

8 a. a display area for manufactured homes which is easily
9 accessible, with sufficient parking for the public,

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

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

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

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

- a. only mobile or manufactured homes that are "ready for occupancy" are sold or offered for sale,
- b. maintains an office for conducting business where the books, records, and files are kept, with access to a restroom for the public,
- c. maintains 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 corporation engaged in the business of selling manufactured homes inside a park, and
- d. maintains a place of business which is separate and apart from any other dealer's location.

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

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

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

D. The Commission shall deny an application for a license, or revoke or suspend a license after it has been granted, if a manufactured home manufacturer violates or fails to comply with any

1 applicable rule as promulgated by the Commission concerning
2 manufactured home manufacturers.

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

20 F. If the Commission denies issuance of a license the
21 Commission shall provide the grounds for the action to the applicant
22 in writing and allow the applicant sixty (60) days to resolve any
23 issues that are the grounds for the action.
24

1 G. Each of the aforementioned grounds for suspension,
2 revocation, or denial of issuance or renewal of license shall also
3 constitute a violation of Sections 581 through 588 of this title,
4 unless the person involved has been tried and acquitted of the
5 offense constituting such grounds.

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

11 H. This section shall not be construed to prohibit a used motor
12 vehicle dealer from delivering a motor vehicle off site or from
13 selling a motor vehicle to a customer at the home or place of
14 business of the customer.

15 ~~H.~~ I. As used in this section:

16 1. "Substantially relates" means the nature of criminal conduct
17 for which the person was convicted has a direct bearing on the
18 fitness or ability to perform one or more of the duties or
19 responsibilities necessarily related to the occupation; and

20 2. "Poses a reasonable threat" means the nature of criminal
21 conduct for which the person was convicted involved an act or threat
22 of harm against another and has a bearing on the fitness or ability
23 to serve the public or work with others in the occupation.

24 SECTION 2. This act shall become effective November 1, 2023.

1 Passed the Senate the 22nd day of March, 2023.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2023.

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8 _____
9 Presiding Officer of the House
10 of Representatives