

SENATE FLOOR VERSION

February 8, 2023

SENATE BILL NO. 729

By: Rosino

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

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

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

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

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

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

6 i. employs a person in connection with the sale of
7 manufactured homes without first obtaining a
8 certificate of registration for the person;

9 7. Being a used motor vehicle dealer who:

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

11 b. employs a person in connection with the sale of used
12 vehicles without first obtaining a certificate of
13 registration for the person,

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

18 d. is not operating from the address shown on the license
19 if this change has not been reported to the
20 Commission; or

21 8. Being a manufactured home dealer or a restricted
22 manufactured home park dealer who:

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

- 1 b. fails or refuses to furnish or keep in force garage
2 liability and completed operations insurance, or
3 c. is not operating from the address shown on the license
4 if this change has not been reported to the
5 Commission.

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

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

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

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

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

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

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

1 D. The Commission shall deny an application for a license, or
2 revoke or suspend a license after it has been granted, if a
3 manufactured home manufacturer violates or fails to comply with any
4 applicable rule as promulgated by the Commission concerning
5 manufactured home manufacturers.

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

23 F. If the Commission denies issuance of a license the
24 Commission shall provide the grounds for the action to the applicant

1 in writing and allow the applicant sixty (60) days to resolve any
2 issues that are the grounds for the action.

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

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

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

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

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

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

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

4 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND COMMERCE
5 February 8, 2023 - DO PASS
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