

1 ENGROSSED SENATE
2 BILL NO. 593

By: Thompson (Roger) of the
Senate

3 and

4 Dobrinski of the House
5

6 An Act relating to motor vehicles; defining terms;
7 authorizing dealer management system providers
8 perform certain actions; prohibiting dealer
9 management system providers from certain actions;
10 making conflicting term or condition of contracts
11 void and unenforceable; requiring certain actions of
12 authorized integrators; allowing dealers to withdraw,
13 revoke, or amend certain express written
14 authorization under certain circumstances; requiring
15 certain obligations to secure and prevent
16 unauthorized access to certain information; stating
17 certain parties not liable for certain actions;
18 requiring indemnification for certain claims;
19 confining certain judgments to operations of this act
20 directly involved in the controversy in which
21 judgment is rendered; requiring manufacturers to
22 allow new motor vehicle dealers to make certain
23 offers to consumers; making certain exceptions;
24 amending 47 O.S. 2021, Sections 562, 563, 564, 564.1,
and 564.2, which relate to definitions, the Oklahoma
Motor Vehicle Commission, and licenses; modifying and
adding definitions; modifying name of Commission;
requiring certain forms for certain motor vehicle
deliveries; disallowing certain authorization; making
certain exception; eliminating deadline for certain
request; clarifying statutory language; amending 47
O.S. 2021, Section 565, as amended by Section 3,
Chapter 192, O.S.L. 2022 (47 O.S. Supp. 2022, Section
565), which relates to denial, revocation, or
suspension of license; modifying entity subject to
license denial, revocation, suspension, or fine;
modifying reasons for license denial, revocation,
suspension, or punishment by fine; prohibiting
certain standards to measure performance; requiring
certain vehicles be offered at same price; requiring
certain reimbursement for rental cars; making certain
exception; requiring new vehicles be distributed in

1 certain manner; limiting dealers to one part or labor
2 rate request per year; providing for certain
3 calculation; providing for exclusions for certain
4 rate calculation; modifying reasons for certain
5 rebuttal; allowing certain written request; allowing
6 certain adjustments; requiring certain written
7 notice; prohibiting certain recovery of costs;
8 prohibiting factory denial of certain claims and
9 implementation of certain charge-backs; requiring
10 certain documentation and written attestation;
11 providing for certain compensation calculation;
12 requiring certain method for used vehicle
13 calculations; allowing factory to direct dealer in
14 certain manner and method; requiring certain
15 reimbursement claims be subject to certain
16 limitations and requirements; placing certain limit
17 on total compensation; disallowing certain remedy
18 combinations; disallowing the use of certain
19 agreements; making certain exception; providing for
20 certain violation; allowing for certain construction
21 or renovation; providing certain rebuttable
22 presumption; prohibiting factories from changing
23 certain plans or systems; limiting license for
24 distribution; authorizing manufacturer or distributor
to require compliance with certain agreement;
amending 47 O.S. 2021, Sections 565.1, 565.2, 565.3,
566, 566.1, 567, 576, 578.1, 579, and 580.2, which
relate to succession dealerships, termination,
cancellation, or nonrenewal of franchise, notice of
proposed sale, denial, suspension, and revocation of
license, objections to the Administrative Procedures
Act, injunctions, petty cash fund, procedures for
relocation or establishment, determination of good
cause, and insurance coverage on loan vehicles;
defining term; clarifying language; requiring
adherence to certain agreement; requiring certain
compensation; requiring hearing within certain period
after protest; authorizing certain parties to request
extension on certain hearing date; requiring use of
certain standards; requiring certain changes be in
compliance with existing law; limiting certain
evaluations; deleting certain protest right;
requiring manufacturer to submit certain agreement
within certain period; modifying definition; making
certain liability policy coverage distinction;
amending 47 O.S. 2021, Sections 583 and 583.1, as
amended by Sections 3 and 4, Chapter 107, O.S.L. 2022

1 (47 O.S. Supp. 2022, Sections 583 and 583.1), which
2 relate to used motor vehicle and parts dealers;
3 clarifying statutory language; amending 47 O.S. 2021,
4 Section 596.1, 596.2, 596.3, 596.5, 596.7, 596.8,
5 596.14, 596.15, and 596.16, which relate to the
6 Recreational Vehicle Franchise Act; clarifying
7 statutory language; updating statutory language;
8 amending 47 O.S. 2021, Section 1116.1, which relates
9 to dealer license plate; updating statutory
10 reference; clarifying statutory language; amending 47
11 O.S. 2021, Section 1128, as last amended by Section
12 142, Chapter 282, O.S.L. 2022 (47 O.S. Supp. 2022,
13 Section 1128), which relates to manufacturers of new
14 vehicles; clarifying statutory language; amending 47
15 O.S. 2021, Section 1137.3, as amended by Section 172,
16 Chapter 282, O.S.L. 2022 (47 O.S. Supp. 2022, Section
17 1137.3), which relates to registration or licensing
18 after purchase of vehicle; clarifying statutory
19 language; amending 21 O.S. 2021, Section 918, which
20 relates to the prohibition on the sale, barter, or
21 exchange of motor vehicles on Sunday; clarifying
22 statutory language; amending 62 O.S. 2021, Section
23 155, which relates to revolving funds; clarifying
24 statutory language; amending Rule 2.45 of the Rules
of the Ethics Commission, as amended by Section 25,
Chapter 107, O.S.L. 2022 (74 O.S. Supp. 2022, Ch. 62,
App. I), which relates to calculation of travel
expenditures; clarifying statutory language; amending
74 O.S. 2021, Section 3601.1, as amended by Section
24, Chapter 107, O.S.L. 2022 (74 O.S. Supp. 2022,
Section 3601.1), which relates to maximum number of
full-time employees; clarifying statutory language;
making language gender neutral; updating statutory
language and references; providing for codification;
and providing an effective date.

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

21 SECTION 1. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 564.3 of Title 47, unless there
23 is created a duplication in numbering, reads as follows:

24 A. As used in this section:

1 1. "Access fee" means a requirement to pay money for access to
2 protected dealer data;

3 2. "Authorized integrator" means a person who a dealer has a
4 contractual relationship with or the dealer otherwise gives express
5 written authorization to have access to protected dealer data stored
6 on a dealer data system or to write protected dealer data to the
7 dealer data system for the purpose of performing a specific function
8 for the dealer;

9 3. "Dealer data system" means software, hardware, or firmware
10 that a dealer leases or rents from a dealer management system
11 provider for the purpose of storing protected dealer data;

12 4. "Dealer management system provider" means a person who, for
13 compensation, maintains and provides access to a dealer data system
14 in which a dealer stores protected dealer data;

15 5. "Protected dealer data" means:

16 a. consumer data that a dealer generated or that the
17 consumer provided to the dealer that is not otherwise
18 publicly available and the consumer has not otherwise
19 provided consent or acknowledgment to share the
20 information, and

21 b. any other dealer data in connection with the dealer's
22 daily business operations in which a dealer has rights
23 in a dealer data system; and

24

1 6. Authorized integrator and dealer management system provider
2 do not include:

3 a. a manufacturer, distributor, importer, or any entity
4 that is a subsidiary or affiliate of, or acts on
5 behalf of, a manufacturer, distributor, or importer,
6 or

7 b. a governmental body or other person that is acting in
8 accordance with federal, state, or local law, or a
9 valid court order.

10 B. A dealer management system provider may:

11 1. Condition access and ability of a dealer or authorized
12 integrator to receive, share, copy, use, write, or transmit
13 protected dealer data from or to a dealer data system on the
14 dealer's or authorized integrator's compliance with security
15 standards;

16 2. Require an authorized integrator to have express written
17 authorization from a dealer before allowing the authorized
18 integrator to gain access to, receive, share, copy, use, or transmit
19 protected dealer data; and

20 3. Deny access to a dealer data system to a dealer if the
21 dealer fails to pay an amount due to the dealer management system
22 provider under a lease, contract, or other agreement concerning the
23 dealer's access to or use of the dealer data system.

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1 C. Except as provided in subsection B of this section, a dealer
2 management system provider shall not take any action that would
3 limit or prohibit the ability of a dealer or an authorized
4 integrator to receive, protect, store, copy, share, or use protected
5 dealer data using means that include, but are not limited to:

6 1. Imposing an access fee on a dealer or authorized integrator;
7 and

8 2. Restricting a dealer or an authorized integrator from
9 sharing protected dealer data or writing data or having access to a
10 dealer data system. Prohibited restrictions pursuant to this
11 paragraph include, but are not limited to:

12 a. limits on the scope or nature of protected dealer data
13 to which a dealer or authorized integrator has access
14 or may share or write to a dealer data system, and

15 b. a requirement for a dealer or authorized integrator to
16 provide sensitive or confidential business information
17 or information that a dealer or authorized integrator
18 uses for competitive purposes in return for access to
19 protected dealer data or an authorization to share or
20 write protected dealer data to a dealer data system.

21 D. Except as otherwise provided in this section, any term or
22 condition of a contract with a dealer management system provider
23 that conflicts with the requirements set forth in subsection C of
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1 this section is void and unenforceable to the extent of the
2 conflict.

3 E. An authorized integrator shall:

4 1. Obtain express written authorization from a dealer before
5 gaining access to, receiving, sharing, copying, using, writing, or
6 transmitting protected dealer data;

7 2. Comply with security standards in gaining access to,
8 receiving, sharing, copying, using, writing, or transmitting
9 protected dealer data; and

10 3. Allow a dealer to withdraw, revoke, or amend any express
11 written authorization the dealer provides under paragraph 1 of this
12 subsection:

13 a. at the sole discretion of the dealer, if the dealer
14 gives a thirty-day prior notice to an authorized
15 integrator, or

16 b. immediately, for good cause.

17 F. 1. This section does not prevent a dealer, a dealer
18 management system provider, or an authorized integrator from
19 discharging the obligations of a dealer, dealer management system
20 provider, or of an authorized integrator under federal, state, or
21 local law to secure and prevent unauthorized access to protected
22 dealer data, or from limiting the scope of the obligations, in
23 accordance with federal, state, or local law.

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1 2. A dealer management system provider is not liable for any
2 action that a dealer takes directly with respect to securing or
3 preventing unauthorized access to protected dealer data, or for
4 actions that an authorized integrator takes in appropriately
5 following the written instructions of the dealer for securing or
6 preventing unauthorized access to protected dealer data, to the
7 extent that the actions prevent the dealer management system
8 provider from meeting a legal obligation to secure or prevent
9 unauthorized access to protected dealer data.

10 3. A dealer is not liable for any action that an authorized
11 integrator takes directly with respect to securing or preventing
12 unauthorized access to protected dealer data, or for actions that
13 the authorized integrator takes in appropriately following the
14 written instructions of the dealer for securing or preventing
15 unauthorized access to protected dealer data, to the extent that the
16 actions prevent the dealer from meeting a legal obligation to secure
17 or prevent unauthorized access to protected dealer data.

18 4. An authorized integrator is not liable for any action that a
19 dealer takes directly with respect to securing or preventing
20 unauthorized access to protected dealer data, or for actions that
21 the dealer takes in appropriately following the written instructions
22 of the authorized integrator for securing or preventing unauthorized
23 access to protected dealer data, to the extent that the actions
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1 prevent the authorized integrator from meeting a legal obligation to
2 secure or prevent unauthorized access to protected dealer data.

3 5. A manufacturer, distributor, importer, or any entity that is
4 a subsidiary or affiliate of, or acts on behalf of, a manufacturer,
5 distributor, or importer is not liable for any action that a dealer,
6 dealer management system provider, authorized integrator, or other
7 third party, except for a third party who the manufacturer has
8 provided the data to as provided for in paragraph 7 of this
9 subsection, takes directly with respect to securing or preventing
10 unauthorized access to protected dealer data or for actions that an
11 authorized integrator, dealer management system provider, or other
12 third party takes in appropriately following the written
13 instructions of the dealer for securing or preventing unauthorized
14 access to protected dealer data.

15 6. Notwithstanding any other agreement, an authorized
16 integrator shall indemnify and hold the new motor vehicle dealer
17 harmless from any third-party claims asserted against or damages
18 incurred by the new motor vehicle dealer to the extent caused by
19 access to, use of, or disclosure of consumer data in violation of
20 this section.

21 7. Notwithstanding any other agreement, a manufacturer,
22 distributor, importer, or any entity that is a subsidiary or
23 affiliate of, or acts on behalf of, a manufacturer, distributor, or
24 importer shall indemnify the dealer for any third-party claims

1 asserted against or damages incurred by the dealer to the extent the
2 claims or damages are caused by the access to and unlawful
3 disclosure of protected dealer data resulting from a breach caused
4 by the manufacturer or distributor or a third party to which the
5 manufacturer or distributor has provided the protected dealer data
6 in violation of this section, the written consent granted by the
7 dealer, or other applicable state or federal law.

8 SECTION 2. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 565.4 of Title 47, unless there
10 is created a duplication in numbering, reads as follows:

11 Any manufacturer or distributor who has new motor vehicle sales
12 and service agreements with new motor vehicles dealers in this state
13 shall allow its new motor vehicle dealers to offer consumers any
14 remote software upgrade or change to vehicle functions and features
15 to a new motor vehicle which is of a line-make the new motor vehicle
16 dealer holds an active sales and service contract for, as any
17 offered to consumers by the manufacturer or distributor, and such
18 upgrade or change shall be available for an authorized new motor
19 vehicle dealer to offer to consumers at any time during the life
20 cycle of the vehicle, and subject to the manufacturer or
21 distributor's requirements, provided the same continues to be made
22 available and offered to consumers in this state by the manufacturer
23 or distributor. This section does not apply to remote software
24 upgrades or changes administered at no cost to the consumer or

1 related solely to the safety, regulatory requirements,
2 cybersecurity, recall of a motor vehicle, Oklahoma Statutes, or
3 federal statutes. Nothing in this section shall be construed to
4 limit or impair a manufacturer or distributor's intellectual
5 property rights, or to grant a new motor vehicle dealer authority to
6 sell, copy, modify, or use the manufacturer's or distributor's
7 intellectual property in a manner that has not been authorized by
8 the manufacturer or distributor. Nothing in this section shall
9 obligate a manufacturer, distributor, or other person to support or
10 maintain any software or change to vehicle functions and features.

11 SECTION 3. AMENDATORY 47 O.S. 2021, Section 562, is
12 amended to read as follows:

13 Section 562. The following words, terms, and phrases, when used
14 in Sections 561 through 567, 572, 578.1, 579, and 579.1 of this
15 title, shall have the meanings respectively ascribed to them in this
16 section, except where the context clearly indicates a different
17 meaning:

18 1. "Motor vehicle" means any motor-driven vehicle required to
19 be registered under the Oklahoma Vehicle License and Registration
20 Act. The term ~~"motor vehicle"~~ motor vehicle does not include:

21 a. recreational vehicles, as defined in the Recreational
22 Vehicle Franchise Act, or
23
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1 b. all-terrain vehicles, utility vehicles, and
2 motorcycles used exclusively for off-road use which
3 are sold by a retail implement dealer;

4 2. "New motor vehicle dealer" means any person, firm,
5 association, corporation, or trust not excluded by this paragraph
6 who sells, offers for sale, advertises to sell, leases, or displays
7 new motor vehicles and holds a bona fide contract or franchise in
8 effect with a manufacturer or distributor authorized by the
9 manufacturer to make predelivery preparation of such vehicles sold
10 to purchasers and to perform post-sale work pursuant to the
11 manufacturer's or distributor's warranty. As used herein,
12 "authorized predelivery preparation" means the rendition by the
13 dealer of services and safety adjustments on each new motor vehicle
14 in accordance with the procedure and safety standards required by
15 the manufacturer of the vehicle to be made before its delivery to
16 the purchaser. "Performance of authorized post-sale work pursuant
17 to the warranty", as used herein, means the rendition of services
18 which are required by the terms of the warranty that stands extended
19 to the vehicle at the time of its sale and are to be made in
20 accordance with the safety standards prescribed by the manufacturer.
21 The term includes premises or facilities at which a person engages
22 only in the repair of motor vehicles if repairs are performed
23 pursuant to the terms of a franchise and motor vehicle
24 manufacturer's warranty. ~~However, the term shall not include~~

1 ~~premises or facilities at which a new motor vehicle dealer or~~
2 ~~dealers within the area of responsibility of such dealer or dealers~~
3 ~~as defined in the manufacturer's franchise agreement of such dealer~~
4 ~~or dealers performs motor vehicle repairs pursuant to the terms of a~~
5 ~~franchise and motor vehicle manufacturer's warranty.~~ For the
6 purpose of Sections 561 through 567, 572, 578.1, 579, and 579.1 of
7 this title, the terms "~~new motor vehicle dealer~~" new motor vehicle
8 dealer and "new motor vehicle dealership" shall be synonymous. The
9 term "~~new motor vehicle dealer~~" new motor vehicle dealer does not
10 include:

- 11 a. receivers, trustees, administrators, executors,
12 guardians, or other persons appointed by or acting
13 under judgment or order of any court,
- 14 b. public officers while performing or in operation of
15 their duties, ~~or~~
- 16 c. employees of persons, corporations, or associations
17 enumerated in subparagraph a of this paragraph when
18 engaged in the specific performance of their duties as
19 such employees, or
- 20 d. a powersports vehicle dealer;

21 3. "Motor vehicle salesperson" means any person who, for gain
22 or compensation of any kind, either directly or indirectly,
23 regularly or occasionally, by any form of agreement or arrangement,
24 sells or negotiates for the sale, lease, or conveyance or arranges

1 the financing of any new motor vehicle as an employee for any new
2 motor vehicle dealer to any one or more third parties;

3 4. "Commission" means the Oklahoma New Motor Vehicle
4 Commission;

5 5. "Manufacturer" means any person, firm, association,
6 corporation, or trust, resident or nonresident, ~~who~~ that
7 manufactures or assembles new and unused motor vehicles or ~~who~~ that
8 engages in the fabrication or assembly of motorized vehicles of a
9 type required to be registered in ~~the State of Oklahoma~~ this state;

10 6. "Distributor" means any person, firm, association,
11 corporation, or trust, resident or nonresident, ~~who~~ that, being
12 authorized by the original manufacturer, in whole or in part sells
13 or distributes new and unused motor vehicles to new motor vehicle
14 dealers, or ~~who~~ that maintains distributor representatives;

15 7. "Factory branch" means any branch office maintained by a
16 person, firm, association, corporation, or trust ~~who~~ that
17 manufactures or assembles motor vehicles for the sale of motor
18 vehicles to distributors, or for the sale of motor vehicles to new
19 motor vehicle dealers, or for directing or supervising, in whole or
20 in part, its representatives;

21 8. "Distributor branch" means any branch office similarly
22 maintained by a distributor for the same purposes a factory branch
23 is maintained;

24

1 9. "Factory representative" means any officer or agent engaged
2 as a representative of a manufacturer of motor vehicles or by a
3 factory branch, for the purpose of making or promoting the sale of
4 its motor vehicles, or for supervising or contacting its dealers or
5 prospective dealers;

6 10. "Distributor representative" means any person, firm,
7 association, corporation, or trust and each officer and employee
8 thereof engaged as a representative of a distributor or distributor
9 branch of motor vehicles, for the purpose of making or promoting the
10 sale of its motor vehicles, or for supervising or contacting its
11 dealers or prospective dealers;

12 11. "Franchise" means any contract or agreement between a new
13 motor vehicle dealer and a manufacturer of a new motor vehicle or
14 its distributor or factory branch by which the new motor vehicle
15 dealer is authorized to engage in the ~~business of selling any~~
16 ~~specified make or makes of new motor vehicles~~ activities of a new
17 motor vehicle dealer as defined by this section;

18 12. "New or unused motor vehicle" means a vehicle which is in
19 the possession of the manufacturer or distributor or has been sold
20 only to the holder of a valid ~~selling agreement,~~ franchise ~~or~~
21 ~~contract,~~ granted by the manufacturer or distributor for the sale of
22 that make of new vehicle so long as the manufacturer's statement of
23 origin has not been assigned to anyone other than a licensed
24 franchised new motor vehicle dealer of the same line-make;

1 13. "Area of responsibility" means the geographical area, as
2 designated by the manufacturer, factory branch, factory
3 representative, distributor, distributor branch, or distributor
4 representative, in which the new motor vehicle dealer is held
5 responsible for the promotion and development of sales and rendering
6 of service for the make of motor vehicle for which the new motor
7 vehicle dealer holds a franchise or selling agreement;

8 14. "Off premises" means at a location other than the address
9 designated on the new motor vehicle dealer's license;

10 15. "Sponsoring entity" means any person, firm, association,
11 corporation, or trust which has control, either permanently or
12 temporarily, over the real property upon which the ~~off-premise~~ off-
13 premises sale or display is conducted;

14 16. "Product" means new motor vehicles and new motor vehicle
15 parts;

16 17. "Service" means motor vehicle warranty repairs including
17 both parts and labor;

18 18. "Lead" means a consumer contact in response to a factory
19 program designed to generate interest in purchasing or leasing a new
20 motor vehicle;

21 19. ~~"Sell or sale"~~ "Sell" or "sale" means to sell or lease;

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

1 21. "Powersports vehicle" means motorcycles, scooters, mopeds,
2 all-terrain vehicles, and utility vehicles;

3 22. "Powersports vehicle dealer" means any person, firm, or
4 corporation ~~who~~ that is in the business of selling any new
5 powersports vehicles except for retail implement dealers; ~~and~~

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

10 24. "Consumer data" means nonpublic personal information as
11 defined in 15 U.S.C., Section 6809(4) as it existed on January 1,
12 2023, that is:

- 13 a. collected by a new motor vehicle dealer, and
- 14 b. provided by the new motor vehicle dealer directly to a
15 manufacturer or third party acting on behalf of a
16 manufacturer.

17 The term shall not include the same or similar data obtained by
18 a manufacturer from any source other than the new motor vehicle
19 dealer or new motor vehicle dealer's data management system; and

20 25. "Fleet vehicle" means a new motor vehicle sold and titled
21 or registered to a business and used for business purposes only.

22 SECTION 4. AMENDATORY 47 O.S. 2021, Section 563, is
23 amended to read as follows:

24

1 Section 563. A. There is hereby created the Oklahoma New Motor
2 Vehicle Commission, to be composed of nine (9) members. Seven of
3 the members shall have been engaged in the manufacture,
4 distribution, or sale of new motor vehicles and two members shall be
5 lay members, all to be appointed by the Governor of the State of
6 Oklahoma, with the advice and consent of the ~~State~~ Senate. ~~Such~~
7 ~~appointments~~ Appointments shall be made within thirty (30) days
8 after ~~the effective date of this section~~ November 1, 1985. Each of
9 the Commissioners thus appointed shall, at the time of the
10 appointment, be a resident in good faith of ~~the State of Oklahoma~~
11 this state, shall be of good moral character, and each of the
12 industry related Commissioners shall have been actually engaged in
13 the manufacture, distribution, or sale of ~~such~~ new motor vehicles
14 for not less than ten (10) years ~~next~~ preceding ~~such~~ the
15 appointment. The members of the Commission shall serve at the
16 pleasure of the Governor.

17 B. 1. The Commissioners shall elect a ~~Chairman~~ chair from
18 amongst them whose term shall be for one (1) year with the right to
19 succeed ~~him~~ himself or herself.

20 2. There shall be three at large members of the Commission.
21 Six members of the Commission shall be appointed from the following
22 geographical areas with at least one member from each area:

23 a. four areas of the state shall be the northwest,
24 northeast, southwest, and southeast sections

1 designated by Interstate 35 dividing the state east
2 and west and Interstate 40 dividing the state north
3 and south, excluding Oklahoma County and Tulsa County,
4 and

5 b. two additional areas shall be Oklahoma County and
6 Tulsa County.

7 There shall not be more than two members of the Commission from any
8 one area.

9 C. The terms of office of the members first appointed to the
10 Commission shall be as follows:

11 1. The members appointed from the northwest, northeast, and
12 southwest areas shall serve until June 30, 1987;

13 2. The members appointed from the southeast area and Oklahoma
14 County and Tulsa County shall serve until June 30, 1989; and

15 3. The members appointed at large shall serve until June 30,
16 1991.

17 Each member shall serve until a successor is appointed and
18 qualifies. Thereafter, the term of office of each member of the
19 Commission shall be for six (6) years. The term of office of any
20 member will automatically expire if the member moves out of the
21 geographical area from which the member was appointed. In event of
22 death, resignation, removal, or term automatically expiring, of any
23 person serving on the Commission, the vacancy shall be filled by
24 appointment as provided for the unexpired portion of the term. The

1 Commission shall meet at Oklahoma City and complete its organization
2 immediately after the membership ~~thereof~~ has been appointed and has
3 qualified. The ~~Chairman~~ chair and each member of the Commission
4 shall take and subscribe to the oath of office required of public
5 officers.

6 D. The members of the Commission shall receive reimbursement
7 for subsistence and traveling expenses necessarily incurred in the
8 performance of their duties as provided by the State Travel
9 Reimbursement Act.

10 E. The Commission shall appoint a qualified person to serve as
11 Executive Director thereof, which person shall have had not less
12 than ten (10) years of experience in the motor vehicle industry.
13 The Executive Director shall be appointed for a term of six (6)
14 years, and shall not be subject to dismissal or removal without
15 cause. The Commission shall fix the salary and prescribe the duties
16 of the Executive Director. The Executive Director shall devote such
17 time as necessary to fulfill the duties thereof, and before entering
18 upon such duties shall take and subscribe to the oath of office.
19 The Executive Director may employ such clerical, technical, and
20 other help and legal services and incur such expenses as may be
21 necessary for the proper discharge of the duties of the Executive
22 Director under ~~this act~~ Section 561 et seq. of this title. The
23 Commission shall maintain its office and transact its business in
24 Oklahoma City, and it is authorized to adopt and use a seal. The

1 Executive Director is hereby authorized to hire, retain, or
2 otherwise acquire the services of an attorney to represent the
3 Commission in any and all state and federal courts, and assist the
4 Commission in any and all business or legal matters that may come
5 before it. The attorney so representing the Commission shall
6 discharge the duties under the direction of the Executive Director.

7 F. The Commission is hereby vested with the powers necessary to
8 enable it to fully and effectively carry out the provisions and
9 objects of ~~this act~~ Section 561 et seq. of this title, and is hereby
10 authorized and empowered to make and enforce all reasonable rules
11 and to adopt and prescribe all forms necessary to accomplish such
12 purpose. All forms used by a new motor vehicle dealer to facilitate
13 the delivery of a vehicle pending approval of financing shall be
14 approved by the Commission. Spot delivery agreement forms shall be
15 required for all new motor vehicle deliveries subject to dealers
16 finding lending institutions to purchase the retail installment
17 contracts executed by the purchasing and selling parties.

18 G. All fees, charges and fines collected under the provisions
19 of ~~this act~~ Section 561 et seq. of this title shall be deposited by
20 the Executive Director in the State Treasury in accordance with the
21 depository laws of this state in a special fund to be known as the
22 "Oklahoma New Motor Vehicle Commission Fund", which is hereby
23 created, and except as hereinafter provided the monies in the fund
24 shall be used by the Commission for the purpose of carrying out and

1 enforcing the provisions of ~~this act~~ Section 561 et seq. of this
2 title. Expenditures from the fund shall be made upon vouchers
3 approved by the Commission or its authorized officers.

4 At the close of each fiscal year, the Commission shall file with
5 the Governor and the State Auditor and Inspector a true and correct
6 report of all fees, fines and charges collected and received by it
7 during the preceding fiscal year and shall at the same time pay into
8 the General Revenue Fund of the state a sum equal to ten percent
9 (10%) of the fees, fines, and charges ~~se~~ collected and received.

10 All expenses incurred by the Commission in carrying out the
11 provisions of ~~this act~~ Section 561 et seq. of this title, including
12 but not limited to per diem, wages, salaries, rent, postage,
13 advertising, supplies, bond premiums, travel, and subsistence for
14 the Commissioners, the Executive Director, employees, and legal
15 counsel, and printing and utilities, shall be a proper charge
16 against such fund, exclusive of the portion thereof to be paid into
17 the General Revenue Fund as above set out. In no event shall
18 liability ever accrue hereunder against this state in any sum
19 whatsoever, or against the Oklahoma New Motor Vehicle Commission
20 Fund, in excess of the ninety percent (90%) of the fees, fines, and
21 charges deposited therein.

22 SECTION 5. AMENDATORY 47 O.S. 2021, Section 564, is
23 amended to read as follows:

24

1 Section 564. A. It shall be unlawful for any person, firm,
2 association, corporation, or trust to engage in business as, or
3 serve in the capacity of, or act as a new motor vehicle dealer,
4 powersports dealer, or manufacturer or distributor of new motor
5 vehicles or powersports vehicles, or factory branch, distributor
6 branch or factory representative or distributor representative, as
7 ~~such~~ defined in Section 562 of this title, in this state without
8 first obtaining a license therefor as provided for by law. Any
9 person, firm, association, corporation, or trust engaging in more
10 than one of such capacities or having more than one place where such
11 business is carried on or conducted shall be required to obtain and
12 hold a current license for each thereof. Provided that, a new motor
13 vehicle dealer's license shall authorize one person to sell in the
14 event such person shall be the owner of a proprietorship, or the
15 person designated as principal in the dealer's franchise or the
16 managing officer or one partner if no principal person is named in
17 the franchise. It is further provided that a factory or an entity
18 affiliated by any ownership or control by the factory shall not be
19 permitted to be licensed as a new motor vehicle dealer in this
20 state, except as provided by subparagraph b of paragraph 12 of
21 Section 565 of this title.

22 B. Applications for licenses required to be obtained under the
23 provisions of Section 561 et seq. of this title shall be verified by
24 the oath or affirmation of the applicant and shall be on forms

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

1 year, and such license or licenses will be issued by July 1. If
2 applications have not been made for renewal of licenses at the times
3 described in this subsection, it shall be illegal for any person to
4 represent himself or herself and act as a dealer, manufacturer,
5 distributor, or manufacturer's or distributor's representative.
6 Motor license agents will be notified not to accept such dealers'
7 titles until such time as licenses have been issued by the
8 Commission.

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

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

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

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

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

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.

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

16 Every motor vehicle factory representative or distributor
17 representative if an individual shall physically possess the license
18 when engaged in business, and shall display ~~same~~ such upon request.
19 The name of the employer of such factory representative or
20 distributor representative shall be stated on the license and, in
21 case of a change of employer, the holder of such license shall
22 immediately mail ~~same~~ such to the Commission for its endorsement of
23 such change ~~thereon~~. The Commission shall endorse each such change
24 of employer on licenses for a fee of Ten Dollars (\$10.00).

1 E. The powersports dealer license shall only allow the sale of
2 the specific types of powersports vehicles authorized by the
3 manufacturer and agreed to by the powersports dealer.

4 SECTION 6. AMENDATORY 47 O.S. 2021, Section 564.1, is
5 amended to read as follows:

6 Section 564.1. ~~Licensing of off-premises displays of new motor~~
7 ~~vehicles and off-premise sales of new motorized recreational~~
8 ~~vehicles.~~

9 A. The Oklahoma New Motor Vehicle Commission shall provide for
10 ~~off-premise~~ off-premises displays of new motor vehicles by currently
11 licensed new motor vehicle dealers. An ~~off-premise~~ off-premises
12 event may be held for display purposes only under the following
13 conditions:

14 1. The motor vehicles are for display purposes only and not for
15 sale at the ~~off-premise~~ off-premises display event;

16 2. No selling activities shall be conducted;

17 3. The display is in the dealer's factory-approved area of
18 sales and service responsibility;

19 4. The dealer must obtain written approval from the
20 manufacturer or distributor; and

21 5. The dealer is required to obtain approval for the display
22 location from the sponsoring entity.

23

24

1 B. The Oklahoma New Motor Vehicle Commission is authorized to
2 provide a variance to the distance requirements specified in this
3 section, for any ~~off-premise~~ off-premises display event if:

4 ~~1. The off-premise~~ the off-premises display is conducted within
5 municipal, county, or state-owned or controlled facilities or within
6 the grounds of any county, district, or state fair; ~~and~~

7 ~~2. The request for the variance must be in writing to the~~
8 ~~Commission no less than thirty (30) days prior to the off-premise~~
9 ~~display event.~~

10 SECTION 7. AMENDATORY 47 O.S. 2021, Section 564.2, is
11 amended to read as follows:

12 Section 564.2. It shall be punishable by an administrative fine
13 not to exceed Five Hundred Dollars (\$500.00) for any person, firm,
14 association, corporation, or trust to engage in business as, or
15 serve in the capacity of, a new motor vehicle salesperson in this
16 state without first obtaining a certificate of registration with the
17 Oklahoma New Motor Vehicle Commission. The cost of registration for
18 each new salesperson shall be set at Twenty-five Dollars (\$25.00) to
19 be renewed annually. The cost of registration and any
20 administrative fine is to be borne by the employing entity of the
21 new salesperson. The Commission shall promulgate rules and
22 procedures necessary for the implementation and creation of the
23 registry and the issuance of certificates of registration.

24

1 SECTION 8. AMENDATORY 47 O.S. 2021, Section 565, as
2 amended by Section 3, Chapter 192, O.S.L. 2022 (47 O.S. Supp. 2022,
3 Section 565), is amended to read as follows:

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

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

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

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

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

23 5. Being a new motor vehicle dealer who:
24

- 1 a. has required a purchaser of a new motor vehicle, as a
2 condition of sale and delivery thereof, to also
3 purchase special features, appliances, accessories, or
4 equipment not desired or requested by the purchaser
5 and installed by the new motor vehicle dealer,
- 6 b. uses any false or misleading advertising in connection
7 with business as a new motor vehicle dealer,
- 8 c. has committed any unlawful act which resulted in the
9 revocation of any similar license in another state,
- 10 d. has failed or refused to perform any written agreement
11 with any retail buyer involving the sale of a motor
12 vehicle,
- 13 e. has been convicted of a felony crime that
14 substantially relates to the occupation of a new motor
15 vehicle dealer and poses a reasonable threat to public
16 safety,
- 17 f. has committed a fraudulent act in selling, purchasing,
18 or otherwise dealing in new motor vehicles or has
19 misrepresented the terms and conditions of a sale,
20 purchase or contract for sale or purchase of a new
21 motor vehicle or any interest therein including an
22 option to purchase such vehicle,
- 23
24

1 g. has failed to meet or maintain the conditions and
2 requirements necessary to qualify for the issuance of
3 a license, or

4 h. completes any sale or transaction of an extended
5 service contract, extended maintenance plan, or
6 similar product using contract forms that do not
7 conspicuously disclose the identity of the service
8 contract provider;

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

11 7. Being a new motor vehicle dealer who:

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

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

23 c. does not hold a franchise in effect with a
24 manufacturer or distributor of new or unused motor

1 vehicles for the sale of the same and is not
2 authorized by the manufacturer or distributor to
3 render predelivery preparation of such vehicles sold
4 to purchasers and to perform any authorized post-sale
5 work pursuant to the manufacturer's or distributor's
6 warranty,

7 d. employs a person without obtaining a certificate of
8 registration for the person, or utilizes the services
9 of used motor vehicle lots or dealers or other
10 unlicensed persons in connection with the sale of new
11 motor vehicles,

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

14 f. fails to order and stock a reasonable number of new
15 motor vehicles necessary to meet ~~customer~~ consumer
16 demand for each of the new motor vehicles included in
17 the new motor vehicle dealer's franchise agreement,
18 unless the new motor vehicles are not readily
19 available from the manufacturer or distributor due to
20 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,
8 or equipment not included in the list price of
9 the 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 new motor vehicle
16 dealer certain models of motor vehicles, changing or
17 amending unilaterally the new motor vehicle dealer's
18 allotment of motor vehicles, and/or withholding and
19 delaying delivery of ~~such~~ the vehicles out of the
20 ordinary course of business, in order to induce by
21 such coercion any ~~such~~ new motor vehicle dealer to
22 participate or contribute to any local or national
23 advertising fund controlled directly or indirectly by
24 the factory or for any other purposes such as contest,

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

11 c. used a performance standard, sales objective, or
12 program for measuring dealer performance that may have
13 a material effect on a right of the dealer to vehicle
14 allocation; or payment under any incentive or
15 reimbursement program that is unfair, unreasonable,
16 inequitable, and not based on accurate information,

17 d. used a performance standard for measuring sales or
18 service performance of any new motor vehicle dealer
19 under the terms of the franchise agreement which:

20 (1) is unfair, unreasonable, arbitrary, or
21 inequitable, and

22 (2) does not consider the relevant and material local
23 and state or regional criteria, including
24 prevailing economic conditions affecting the

1 sales or service performance of a vehicle dealer
2 or any relevant and material data and facts
3 presented by the dealer in writing within thirty
4 (30) days of the written notice of the
5 manufacturer to the dealer of its intention to
6 cancel, terminate, or not renew the dealer's
7 franchise agreement,

8 e. failed or refused to sell, or offer for sale, new
9 motor vehicles to all of its authorized same line-make
10 franchised new motor vehicle dealers at the same price
11 for a comparably equipped motor vehicle, on the same
12 terms, with no differential in functionally available
13 discount, allowance, credit, or bonus, except as
14 provided in subparagraph e of paragraph 9 of this
15 subsection,

16 f. failed to provide reasonable compensation to a new
17 motor vehicle dealer substantially equivalent to the
18 actual cost of providing a manufacturer required
19 loaner or rental vehicle to any consumer who is having
20 a vehicle serviced at the dealership. For purposes of
21 this paragraph, actual cost is the average cost in the
22 new motor vehicle dealer's region for the rental of a
23 substantially similar make and model as the vehicle
24 being serviced, or

1 g. failed to make available to its new motor vehicle
2 dealers a fair and proportional share of all new
3 vehicles distributed to same line-make dealers in this
4 state, subject to the same reasonable terms, including
5 any vehicles distributed from a common new vehicle
6 inventory pool outside of the factory's ordinary
7 allocation process such as any vehicles the factory
8 reserves to distribute on a discretionary basis;

9 9. Being a factory that:

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

1 fairly compensate its dealers for labor, parts, and
2 other expenses incurred by ~~such~~ the dealer to perform
3 under and comply with manufacturer's warranty
4 agreements and recall repairs which shall include
5 diagnostic work as applicable and assistance requested
6 by a consumer whose vehicle was subjected to an over-
7 the-air or remote change, repair, or update to any
8 part, system, accessory, or function by the
9 manufacturer and performed by the dealer in order to
10 satisfy the consumer. Time allowances for the
11 diagnosis and performance of repair work shall be
12 reasonable and adequate for the work to be performed.
13 Adequate and fair compensation, which under this
14 provision shall be no less than the rates customarily
15 charged for retail consumer repairs as calculated
16 herein, for parts and labor for warranty and recall
17 repairs shall, at the option of the new motor vehicle
18 dealer, be established by the new motor vehicle dealer
19 submitting to the manufacturer or distributor one
20 hundred sequential nonwarranty ~~customer-paid~~ consumer-
21 paid service repair orders which contain warranty-like
22 ~~parts~~ repairs, or ninety (90) consecutive days of
23 nonwarranty ~~customer-paid~~ consumer-paid service repair
24 orders which contain warranty-like ~~parts~~ repairs,

1 whichever is less, covering repairs made no more than
2 one hundred eighty (180) days before the submission
3 and declaring the average percentage labor rate and/or
4 markup rate. ~~Adequate and fair compensation for labor~~
5 ~~shall be established by the dealer submitting to the~~
6 ~~manufacturer or distributor one hundred sequential~~
7 ~~customer paid service repair orders which contain~~
8 ~~labor charges, or ninety (90) consecutive days of~~
9 ~~customer paid service repair orders which contain~~
10 ~~labor charges, whichever is less.~~ A new motor vehicle
11 dealer may not submit a request to establish its
12 retail rates more than once in a twelve-month period.
13 That request may establish a parts markup rate, labor
14 rate, or both. The new motor vehicle dealer shall
15 calculate its retail parts rate by determining the
16 total charges for parts from the qualified repair
17 orders submitted, dividing that amount by the new
18 motor vehicle dealer's total cost of the purchase of
19 those parts, subtracting one (1), and multiplying by
20 one hundred (100) to produce a percentage. The new
21 motor vehicle dealer shall calculate its retail labor
22 rate by dividing the amount of the new motor vehicle
23 dealer's total labor sales from the qualified repair
24 orders by the total labor hours charged for those

1 sales. When submitting repair orders to ~~calculate~~
2 establish a retail parts and labor rate, a new motor
3 vehicle dealer need not include ~~repair orders~~ repairs
4 for:

5 (1) routine maintenance including but not limited to
6 the replacement of bulbs, fluids, filters,
7 batteries, and belts that are not provided in the
8 course of and related to a repair,

9 (2) factory special events, specials, or promotional
10 discounts for retail consumer repairs,

11 (3) parts sold or repairs performed at wholesale,

12 (4) factory-approved goodwill or policy repairs or
13 replacements,

14 (5) repairs with aftermarket parts, when calculating
15 the retail parts rate but not the retail labor
16 rate,

17 (6) repairs on aftermarket parts,

18 (7) replacement of or work on tires including front-
19 end alignments and wheel or tire rotations,

20 (8) repairs of motor vehicles owned by the new motor
21 vehicle dealer or employee thereof at the time of
22 the repair,

23 (9) vehicle reconditioning, or
24

1 (10) items that do not have individual part numbers
2 including, but not limited to, nuts, bolts, and
3 fasteners.

4 A manufacturer or distributor may, not later than
5 ~~thirty (30)~~ forty-five (45) days after submission,
6 rebut that declared retail parts and labor rate in
7 writing by reasonably substantiating that the rate is
8 ~~inaccurate or unreasonable in light of the practices~~
9 ~~of all other franchised motor vehicle dealers in an~~
10 ~~economically similar part of the state offering the~~
11 ~~same line-make vehicles~~ not accurate or is incomplete
12 pursuant to the provisions of this section. If the
13 manufacturer or distributor determines the set of
14 repair orders submitted by the new motor vehicle
15 dealer pursuant to this section for a retail labor
16 rate or retail parts markup rate is substantially
17 higher than the new motor vehicle dealer's current
18 warranty rates, the manufacturer or distributor may
19 request, in writing, within forty-five (45) days after
20 the manufacturer's or distributor's receipt of the new
21 motor vehicle dealer's initial submission, all repair
22 orders closed within the period of thirty (30) days
23 immediately preceding, or thirty (30) days immediately
24 following, the set of repair orders initially

1 submitted by the new motor vehicle dealer. All time
2 periods under this section shall be suspended until
3 the supplemental repair orders are provided. If the
4 manufacturer or distributor requests supplemental
5 repair orders, the manufacturer or distributor may,
6 within thirty (30) days after receiving the
7 supplemental repair orders and in accordance with the
8 formula described in this subsection, calculate a
9 proposed adjusted retail labor rate or retail parts
10 markup rate, as applicable, based upon any set of the
11 qualified repair orders submitted by the franchisee
12 and following the formula set forth herein to
13 establish the rate. The retail ~~rate~~ labor and parts
14 rates shall go into effect thirty (30) days following
15 the approval by the manufacturer, ~~subject to audit of~~
16 ~~the submitted repair orders by the franchisor and a~~
17 ~~rebuttal of the declared rate as described above or~~
18 ~~distributor.~~ If the declared rate is rebutted, the
19 manufacturer or distributor shall provide written
20 notice stating the reasons for the rebuttal, an
21 explanation of the reasons for the rebuttal, and a
22 copy of all calculations used by the franchisor in
23 determining the manufacturer or distributor's position
24 and propose an adjustment in writing of the average

1 percentage markup or labor rate based on that rebuttal
2 not later than ~~thirty (30)~~ forty-five (45) days after
3 submission. If the new motor vehicle dealer does not
4 agree with the proposed average percentage markup or
5 labor rate, the new motor vehicle dealer may file a
6 protest with the Commission not later than thirty (30)
7 days after receipt of that proposal by the
8 manufacturer or distributor. In the event a protest
9 is filed, the manufacturer or distributor shall have
10 the burden of proof to establish the new motor vehicle
11 dealer's submitted parts markup rate or labor rate was
12 inaccurate or ~~unreasonable in light of the practices~~
13 ~~of all other franchised motor vehicle dealers in an~~
14 ~~economically similar part of the state~~ not complete
15 pursuant to the provisions of this section. A
16 manufacturer or distributor may not retaliate against
17 any new motor vehicle dealer seeking to exercise its
18 rights under this ~~provision~~ section. A manufacturer
19 or distributor may require a dealer to submit repair
20 orders in accordance with this section in order to
21 validate the reasonableness of a dealer's retail rate
22 for parts or labor not more often than once every
23 twelve (12) months. A manufacturer or distributor may
24 not otherwise recover its costs from new motor vehicle

1 dealers within this state including a surcharge
2 imposed on a new motor vehicle dealer solely intended
3 to recover the cost of reimbursing a new motor vehicle
4 dealer for parts and labor pursuant to this section;
5 provided, a manufacturer or distributor shall not be
6 prohibited from increasing prices for vehicles or
7 parts in the normal course of business or from
8 auditing and charging back claims in accordance with
9 this section. All claims made by dealers for
10 compensation for delivery, preparation, ~~and~~ warranty,
11 or recall repair work shall be paid within thirty (30)
12 days after approval and shall be approved or
13 disapproved within thirty (30) days after receipt.
14 When any claim is disapproved, the dealer shall be
15 notified in writing of the grounds for disapproval.
16 The dealer's delivery, preparation, ~~and~~ warranty
17 obligations as filed with the Commission shall
18 constitute the dealer's sole responsibility for
19 product liability as between the dealer and
20 manufacturer. A factory may reasonably and
21 periodically audit a new motor vehicle dealer to
22 determine the validity of paid claims for new motor
23 vehicle dealer compensation or any charge-backs for
24 warranty parts or service compensation. Except in

1 cases of suspected fraud, audits of warranty payments
2 shall only be for the one-year period immediately
3 following the date of the payment. A manufacturer
4 shall reserve the right to reasonable, periodic audits
5 to determine the validity of paid claims for dealer
6 compensation or any charge-backs for consumer or
7 dealer incentives. Except in cases of suspected
8 fraud, audits of incentive payments shall only be for
9 a one-year period immediately following the date of
10 the payment. A factory shall not deny a claim or
11 charge a new motor vehicle dealer back subsequent to
12 the payment of the claim unless the factory can show
13 that the claim was false or fraudulent or that the new
14 motor vehicle dealer failed to reasonably substantiate
15 the claim by the written reasonable procedures of the
16 factory. A factory shall not deny a claim or
17 implement a charge-back against a new motor vehicle
18 dealer after payment of a claim in the event a
19 purchaser of a new vehicle that is the subject of a
20 claim fails to comply with titling or registration
21 laws of this state and is not prevented from
22 compliance by any action of the new motor vehicle
23 dealer; provided, that the factory may require the new
24 motor vehicle dealer to provide, within thirty (30)

1 days of notice of charge-back, withholding of payment,
2 or denial of claim, the documentation to demonstrate
3 the vehicle sale, delivery, and customer qualification
4 for an incentive as reported, including consumer name
5 and address and written attestation signed by the
6 dealer operator or general manager stating the
7 consumer was not on the export control list and the
8 dealer did not know or have reason to know the vehicle
9 was being exported or resold.

10 The factory shall provide written notice to a dealer
11 of a proposed charge-back that is the result of an
12 audit along with the specific audit results and
13 proposed charge-back amount. A dealer that receives
14 notice of a proposed charge-back pursuant to a
15 factory's audit has the right to file a protest with
16 the Commission within thirty (30) days after receipt
17 of the notice of the charge-back or audit results,
18 whichever is later. The factory is prohibited from
19 implementing the charge-back or debiting the dealer's
20 account until either the time frame for filing a
21 protest has passed or a final adjudication is rendered
22 by the Commission, whichever is later, unless the
23 dealer has agreed to the charge-back or charge-backs,
24

1 c. fails to compensate the new motor vehicle dealer for a
2 used motor vehicle:

3 (1) that is of the same make and model manufactured,
4 imported, or distributed by the factory and is a
5 line-make that the new motor vehicle dealer is
6 franchised to sell or on which the new motor
7 vehicle dealer is authorized to perform recall
8 repairs,

9 (2) that is subject to a stop-sale or do-not-drive
10 order issued by the factory or an authorized
11 governmental agency,

12 (3) that is held by the new motor vehicle dealer in
13 the dealer's inventory at the time the stop-sale
14 or do-not-drive order is issued or that is taken
15 by the new motor vehicle dealer into the dealer's
16 inventory after the recall notice as a result of
17 a retail consumer trade-in or a lease return to
18 the dealer inventory in accordance with an
19 applicable lease contract,

20 (4) that cannot be repaired due to the
21 unavailability, within thirty (30) days after
22 issuance of the stop-sale or do-not-drive order,
23 of a remedy or parts necessary for the new motor
24 vehicle dealer to make the recall repair, and

1 (5) that is not at least in the prorated amount of
2 one percent (1.00%) of the value of the vehicle
3 per month beginning on the date that is thirty
4 (30) days after the date on which the stop-sale
5 order was provided to the new motor vehicle
6 dealer until the earlier of either of the
7 following:

8 (a) the date the recall remedy or parts are made
9 available, or

10 (b) the date the new motor vehicle dealer sells,
11 trades, or otherwise disposes of the
12 affected used motor vehicle.

13 For the purposes of division (5) of this subparagraph,
14 the value of a used vehicle shall be the average Black
15 Book value for the year, make, and model of the
16 recalled vehicle. A factory may direct the manner and
17 method in which a new motor vehicle dealer must
18 demonstrate the inventory status of an affected used
19 motor vehicle to determine eligibility under this
20 subparagraph; provided, that the manner and method may
21 not be unduly burdensome and may not require
22 information that is unduly burdensome to provide. All
23 reimbursement claims made by new motor vehicle dealers
24 pursuant to this section for recall remedies or

1 repairs, or for compensation where no part or repair
2 is reasonably available and the vehicle is subject to
3 a stop-sale or do-not-drive order, shall be subject to
4 the same limitations and requirements as a warranty
5 reimbursement claim made under subparagraph b of this
6 paragraph. In the alternative, a manufacturer may
7 compensate its franchised new motor vehicle dealers
8 under a national recall compensation program;
9 provided, the compensation under the program is equal
10 to or greater than that provided under division (5) of
11 this subparagraph, or as the manufacturer and new
12 motor vehicle dealer otherwise agree. Nothing in this
13 section shall require a factory to provide total
14 compensation to a new motor vehicle dealer which would
15 exceed the total average Black Book value of the
16 affected used motor vehicle as originally determined
17 under division (5) of this subparagraph. Any remedy
18 provided to a new motor vehicle dealer under this
19 subparagraph is exclusive and may not be combined with
20 any other state or federal compensation remedy,

21 d. unreasonably fails or refuses to offer to its same
22 line-make franchised dealers a reasonable supply and
23 mix of all models manufactured for that line-make, or
24 unreasonably requires a dealer to pay any extra fee,

1 purchase unreasonable advertising displays or other
2 materials, or enter into a separate agreement which
3 adversely alters the rights or obligations contained
4 within the new motor vehicle dealer's existing
5 franchise agreement or which waives any right of the
6 new motor vehicle dealer as protected by Section 561
7 et seq. of this title, or remodel, renovate, or
8 recondition the new motor vehicle dealer's existing
9 facilities as a prerequisite to receiving a model or
10 series of vehicles, except as may be necessary to sell
11 or service the model or series of vehicles as provided
12 by subparagraph e of this paragraph. It shall be a
13 violation of this section for new vehicle allocation
14 to be withheld subject to any requirement to purchase
15 or sell any number of used or off-lease vehicles. The
16 failure to deliver any such new motor vehicle shall
17 not be considered a violation of the section if the
18 failure is not arbitrary or is due to lack of
19 manufacturing capacity or to a strike or labor
20 difficulty, a shortage of materials, a freight
21 embargo, or other cause over which the manufacturer
22 has no control. However, this subparagraph shall not
23 apply to recreational vehicles ~~or~~, limited production
24 model vehicles, a vehicle not advertised by the

1 factory for sale in this state, vehicles that are
2 subject to allocation affected by federal
3 environmental laws or environmental laws of this
4 state, or vehicles allocated in response to an
5 unforeseen event or circumstance,

6 ~~d.~~ e. except as necessary to comply with a health or safety
7 law, or to comply with a technology requirement which
8 is necessary to sell or service a motor vehicle that
9 the franchised new motor vehicle dealer is authorized
10 or licensed by the franchisor to sell or service,
11 requires a new motor vehicle dealer to construct a new
12 facility or substantially renovate the new motor
13 vehicle dealer's existing facility unless the facility
14 construction or renovation is justified by the
15 economic conditions existing at the time, as well as
16 the reasonably foreseeable projections, in the new
17 motor vehicle dealer's market and in the automotive
18 industry. However, this subparagraph shall not apply
19 if the ~~factory provides~~ new motor vehicle dealer
20 voluntarily agrees to facility construction or
21 renovation in exchange for money, credit, allowance,
22 reimbursement, or additional vehicle allocation to a
23 new motor vehicle dealer from the factory to
24 compensate the new motor vehicle dealer for the cost

1 of, or a portion of the cost of, the facility
2 construction or renovation. Except as necessary to
3 comply with a health or safety law, or to comply with
4 a technology or safety requirement which is necessary
5 to sell or service a motor vehicle that the franchised
6 new motor vehicle dealer is authorized or licensed by
7 the franchisor to sell or service, a new motor vehicle
8 dealer which completes a facility construction or
9 renovation pursuant to factory requirements shall not
10 be required to construct a new facility or renovate
11 the existing facility if the same area of the facility
12 or premises has been constructed or substantially
13 altered within the last ten (10) years and the
14 construction or alteration was approved by the
15 manufacturer as a part of a facility upgrade program,
16 standard, or policy. For purposes of this
17 subparagraph, "substantially altered" means to perform
18 an alteration that substantially impacts the
19 architectural features, characteristics, or integrity
20 of a structure or lot. The term shall not include
21 routine maintenance reasonably necessary to maintain a
22 dealership in attractive condition. If a facility
23 upgrade program, standard, or policy under which the
24 dealer completed a facility construction or

1 substantial alteration does not contain a specific
2 time period during which the manufacturer or
3 distributor shall provide payments or benefits to a
4 participating dealer, or the time frame specified
5 under the program is reduced or canceled prematurely
6 in the unilateral discretion of the manufacturer or
7 distributor, the manufacturer or distributor shall not
8 deny the participating dealer any payment or benefit
9 under the terms of the program, standard, or policy as
10 it existed when the dealer began to perform under the
11 program, standard, or policy for the balance of the
12 ten-year period, regardless of whether the
13 manufacturer's or distributor's program, standard, or
14 policy has been changed or canceled, unless the
15 manufacturer and dealer agree, in writing, to the
16 change in payment or benefit,

17 e. f. requires a new motor vehicle dealer to establish an
18 exclusive facility, unless supported by reasonable
19 business, market, and economic considerations;
20 provided, that this ~~provision~~ section shall not
21 restrict the terms of any agreement for such exclusive
22 facility voluntarily entered into and supported by
23 valuable consideration separate from the new motor
24

1 vehicle dealer's right to sell and service motor
2 vehicles for the franchisor,
3 ~~f.~~ g. requires a new motor vehicle dealer to enter into a
4 site-control agreement covering any or all of the new
5 motor vehicle dealer's facilities or premises;
6 provided, that this ~~provision~~ section shall not
7 restrict the terms of any site-control agreement
8 voluntarily entered into and supported by valuable
9 consideration separate from the new motor vehicle
10 dealer's right to sell and service motor vehicles for
11 the franchisor. Notwithstanding the foregoing or the
12 terms of any site-control agreement, a site-control
13 agreement automatically extinguishes if all of the
14 factory's franchises that operated from the location
15 that are the subject of the site-control agreement are
16 terminated by the factory as part of the
17 discontinuance of a product line, ~~or~~
18 ~~g.~~ h. refuses to pay, or claims reimbursement from, a new
19 motor vehicle dealer for sales, incentives, or other
20 payments related to a motor vehicle sold by the new
21 motor vehicle dealer because the purchaser of the
22 motor vehicle exported or resold the motor vehicle in
23 violation of the policy of the factory unless the
24 factory can show that, at the time of the sale, the

1 new motor vehicle dealer knew or reasonably should
2 have known of the purchaser's intention to export or
3 resell the motor vehicle. There is a rebuttable
4 presumption that the new motor vehicle dealer did not
5 know or could not have known that the vehicle would be
6 exported if the vehicle is titled and registered in
7 any state of the United States, or

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

1 where separate and valuable consideration has been
2 offered and accepted;

3 10. Being a factory that:

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

13 b. changes an established plan or system of motor vehicle
14 distribution. A new motor vehicle dealer franchise
15 agreement shall continue in full force and operation
16 notwithstanding a change, in whole or in part, of an
17 established plan or system of distribution of the
18 motor vehicles offered or previously offered for sale
19 under the franchise agreement. The appointment of a
20 new importer or distributor for motor vehicles offered
21 for sale under the franchise agreement shall be deemed
22 to be a change of an established plan or system of
23 distribution. The discontinuation of a line-make
24 shall not be deemed to be a change of an established

1 plan or system of motor vehicle distribution. The
2 creation of a line-make shall not be deemed to be a
3 change of an established plan or system of motor
4 vehicle distribution as long as the new line-make is
5 not selling the same, or substantially the same
6 vehicle or vehicles previously sold through another
7 line-make by new motor vehicle dealers with an active
8 franchise agreement for the other line-make in the
9 state if such new motor vehicle dealers are no longer
10 authorized to sell the comparable vehicle previously
11 sold through their line-make. Changing a vehicle's
12 powertrain is not sufficient to show it is
13 substantially different. Upon the occurrence of such
14 change, the manufacturer or distributor shall be
15 prohibited from obtaining a license to distribute
16 vehicles under the new plan or system of distribution
17 unless the manufacturer or distributor offers to each
18 new motor vehicle dealer who is a party to the
19 franchise agreement a new franchise agreement
20 containing substantially the same provisions which
21 were contained in the previous franchise agreement;

22 11. Being a factory that sells directly or indirectly new motor
23 vehicles to any retail consumer in the state except through a new
24 motor vehicle dealer holding a franchise for the line-make that

1 includes the new motor vehicle. This paragraph does not apply to
2 factory sales of new motor vehicles to its employees, family members
3 of employees, retirees and family members of retirees, not-for-
4 profit organizations, or the federal, state, or local governments.
5 The provisions of this paragraph shall not preclude a factory from
6 providing information to a consumer for the purpose of marketing or
7 facilitating a sale of a new motor vehicle or from establishing a
8 program to sell or offer to sell new motor vehicles through
9 participating dealers subject to the limitations provided in
10 paragraph 2 of Section 562 of this title;

- 11 12. a. Being a factory which directly or indirectly:
- 12 (1) owns any ownership interest or has any financial
13 interest in a new motor vehicle dealer or any
14 person who sells products or services pursuant to
15 the public terms of the franchise agreement,
- 16 (2) operates or controls a new motor vehicle dealer,
17 or
- 18 (3) acts in the capacity of a new motor vehicle
19 dealer.
- 20 b. (1) This paragraph does not prohibit a factory from
21 owning or controlling a new motor vehicle dealer
22 while in a bona fide relationship with a dealer
23 development candidate who has made a substantial
24 initial investment in the franchise and whose

1 initial investment is subject to potential loss.
2 The dealer development candidate can reasonably
3 expect to acquire full ownership of a new motor
4 vehicle dealer within a reasonable period of time
5 not to exceed ten (10) years and on reasonable
6 terms and conditions. The ten-year acquisition
7 period may be expanded for good cause shown.

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

21 (3) This paragraph does not prohibit a factory from
22 owning, operating, or controlling or acting in
23 the capacity of a new motor vehicle dealer which
24 was in operation prior to January 1, 2000.

1 (4) This paragraph does not prohibit a factory from
2 owning, directly or indirectly, a minority
3 interest in an entity that owns, operates, or
4 controls motor vehicle dealerships of the same
5 line-make franchised by the manufacturer,
6 provided that each of the following conditions
7 are met:

8 (a) all of the new motor vehicle dealerships
9 selling the motor vehicles of that
10 manufacturer in this state trade exclusively
11 in the line-make of that manufacturer,

12 (b) all of the franchise agreements of the
13 manufacturer confer rights on the dealer of
14 the line-make to develop and operate, within
15 a defined geographic territory or area, as
16 many dealership facilities as the dealer and
17 manufacturer shall agree are appropriate,

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

1 (d) during any period in which the manufacturer
2 has such an ownership interest, the
3 manufacturer has no more than three
4 franchise agreements with new motor vehicle
5 dealers licensed by the Oklahoma New Motor
6 Vehicle Commission to do business within the
7 state, and

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

19 13. Being a factory which directly or indirectly makes
20 available for public disclosure any proprietary information provided
21 to the factory by a new motor vehicle dealer, other than in
22 composite form to new motor vehicle dealers in the same line-make or
23 in response to a subpoena or order of the Commission or a court.
24

1 Proprietary information includes, but is not limited to,
2 information:

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

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

11 15. Being a factory which used the ~~customer~~ consumer list of a
12 new motor vehicle dealer for the purpose of unfairly competing with
13 dealers;

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

- 17 a. the facility and the proposed new location satisfies
18 or meets the written reasonable guidelines of the
19 factory. Reasonable guidelines do not include
20 exclusivity or site control unless agreed to as set
21 forth in subparagraphs e f and g of paragraph 9 of
22 this subsection,

23
24

1 b. the proposed new location is within the area of
2 responsibility of the new motor vehicle dealer
3 pursuant to Section 578.1 of this title, and

4 c. the factory has sixty (60) days from receipt of the
5 new motor vehicle dealer's relocation request to
6 approve or deny the request. The failure to approve
7 or deny the request within the sixty-day time frame
8 shall constitute approval of the request;

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

17 18. Being a factory that increases prices of new motor vehicles
18 which the new motor vehicle dealer had ordered for retail consumers
19 and notified the factory prior to the new motor vehicle dealer's
20 receipt of the written official price increase notification. A
21 sales contract signed by a retail consumer accompanied with proof of
22 order submission to the factory shall constitute evidence of each
23 such order, provided that the vehicle is in fact delivered to the
24 ~~customer~~ consumer. Price differences applicable to new models or

1 series motor vehicles at the time of the introduction of new models
2 or series shall not be considered a price increase for purposes of
3 this paragraph. Price changes caused by any of the following shall
4 not be subject to the provisions of this paragraph:

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

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

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

21 21. Being a factory that requires a new motor vehicle dealer to
22 sell, offer to sell, or sell exclusively an extended service
23 contract, extended maintenance plan, or similar product, such as gap
24

1 products offered, endorsed, or sponsored by the factory by the
2 following means:

- 3 a. by an act or statement from the factory that will in
4 any manner adversely impact the new motor vehicle
5 dealer, or
- 6 b. by measuring the new motor vehicle dealer's
7 performance under the franchise based on the sale of
8 extended service contracts, extended maintenance
9 plans, or similar products offered, endorsed, or
10 sponsored by the manufacturer or distributor.

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

19 1. To exercise its right of first refusal, the factory must
20 notify the new motor vehicle dealer in writing within sixty (60)
21 days of receipt of the completed proposal for the proposed sale
22 transfer;

23 2. The exercise of the right of first refusal will result in
24 the new motor vehicle dealer and the owner of the dealership

1 receiving the same or greater consideration as they have contracted
2 to receive in connection with the proposed change of ownership or
3 transfer;

4 3. The proposed sale or transfer ~~of the assets~~ of the
5 dealership does not involve the transfer or sale to a member or
6 members of the family of one or more dealer owners, or to a
7 qualified manager or a partnership or corporation controlled by such
8 persons; and

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

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

24

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

8 a. any motor vehicle sold by that person is limited to
9 used motor vehicles that have been previously used
10 exclusively and regularly by that person in the
11 conduct of business and used motor vehicles traded in
12 on motor vehicles sold by that person,

13 b. warranty repairs performed by that person on motor
14 vehicles are limited to those motor vehicles that ~~it~~
15 the person owns, previously owned, or takes in trade,
16 and

17 c. motor vehicle financing provided by that person to
18 retail consumers for motor vehicles is limited to used
19 vehicles sold by that person in the conduct of
20 business; or

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

23 D. As used in this section:
24

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

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

9 E. Nothing in this section shall prohibit a manufacturer or
10 distributor from requiring a dealer to be in compliance with the
11 franchise agreement and authorized to sell a make and model based on
12 applicable reasonable standards and requirements that include but
13 are not limited to any facility, technology, or training
14 requirements necessary to sell or service a vehicle, in order to be
15 eligible for delivery or allotment of a make or model of a new motor
16 vehicle or an incentive.

17 SECTION 9. AMENDATORY 47 O.S. 2021, Section 565.1, is
18 amended to read as follows:

19 Section 565.1. A. For the purposes of this section,
20 "designated successor" means a person who the new motor vehicle
21 dealer has designated to take over operation of the dealership or a
22 legal heir or devisee under the will of a new motor vehicle dealer
23 or under the laws of descent and distribution of this state.

1 B. Notwithstanding the terms of any franchise agreement, and
2 subject to the following conditions contained in paragraphs 1
3 through 5 of this ~~section~~ subsection, any manufacturer or
4 distributor who prevents or refuses to honor the succession to the
5 operation of a dealership by any legal heir or devisee under the
6 ~~will of a new motor vehicle dealer or under the laws of descent and~~
7 ~~distribution of this state~~ a designated successor without good cause
8 or good faith, as defined in this section, shall be subject to the
9 following procedure:

10 1. Within one hundred twenty (120) days after the death or
11 departure of the new motor vehicle dealer, the manufacturer shall
12 receive a written notice from ~~any legal heir or devisee~~ the
13 dealership of the designated successor who intends to ~~establish a~~
14 become the successor dealership operator. If timely notice is not
15 ~~so~~ received, ~~then~~ this paragraph shall not apply, and any succession
16 shall be governed solely by the terms of the franchise;

17 2. Within thirty (30) days of receipt of the ~~legal heir's or~~
18 ~~devisee's~~ dealership's timely written notice, the manufacturer may
19 request, and the ~~legal heir or devisee~~ designated successor shall,
20 within a reasonable time, provide any information which is
21 reasonably necessary for the manufacturer to evaluate the ~~proposed~~
22 designated successor dealer and dealership, including, ~~but not~~
23 ~~limited to,~~ applications, ~~proposals for facilities~~ and financing;

24

1 3. Within sixty (60) days of receipt of such information, the
2 manufacturer shall approve or disapprove the ~~proposed~~ designated
3 successor ~~dealership dealer~~, and in case of disapproval shall
4 communicate in writing such disapproval and grounds for disapproval
5 to the ~~legal heir or devisee~~ dealership;

6 4. Failure of the manufacturer to act in a timely manner with
7 respect to any time period described above shall constitute a waiver
8 of the manufacturer's right to disapprove the proposed succession;
9 and

10 5. Within ten (10) days of ~~its~~ the dealership's receipt of the
11 manufacturer's notice of disapproval, the ~~legal heir or devisee~~
12 dealership may file a protest of the manufacturer's decision with
13 the Oklahoma New Motor Vehicle Commission and request a hearing.
14 Such hearing shall be heard in a substantially similar manner as
15 provided by Section 566 of this title, except that the Commission
16 shall render a final decision within sixty (60) days of the filing
17 of the protest. The manufacturer shall have the burden of proof to
18 show that its disapproval was for a good cause and in good faith. A
19 denial shall not be for good cause and in good faith unless the
20 factory establishes that the ~~legal heir or devisee, or the legal~~
21 ~~heir or devisee's controlling executive management~~, designated
22 successor is not of good moral character or fails to meet the
23 written, reasonable, and uniformly applied requirements of the
24 manufacturer or distributor relating to financial qualifications,

1 general business experience, and other requirements relating to
2 prospective franchisees. However, ~~a legal heir that~~ a designated
3 successor who is a family member and who is of good moral character
4 in accordance with ~~the factory's~~ reasonable factory qualifications
5 and meets the factory's financial qualifications may rely on
6 controlling executive management that is of good moral character and
7 meets the factory's qualifications for general business experience
8 ~~and other requirements relating to prospective franchises.~~ Any
9 denial of the designated successor based upon a failure to agree to
10 terms other than those contained in the existing franchise
11 agreement, related addendums and agreements, and any written notice
12 provided to the existing dealer prior to the manufacturer's or
13 distributor's receipt of any written notice from the existing dealer
14 of the proposed transfer shall not be considered good cause for such
15 denial. However, any proposed change to the franchise pursuant to
16 written notice from the manufacturer or distributor, to be valid,
17 must be in compliance with existing law. The disapproval by the
18 manufacturer shall be final if the ~~legal heir or devisee~~ dealership
19 fails to file a timely protest of ~~such~~ the disapproval. In the
20 event that the Commission finds that the manufacturer's disapproval
21 was not made for good cause, then it shall issue a final order
22 requiring the manufacturer to honor the successor designated in the
23 notice sent by the ~~legal heir or devisee~~ dealership.
24 Notwithstanding anything to the contrary in this section, a new

1 motor vehicle dealer may designate any person as successor by filing
2 a written instrument pursuant to the franchise with the manufacturer
3 during the new motor vehicle dealer's lifetime. In such a case, the
4 written instrument and franchise shall govern the dealership
5 succession.

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 judgment or conviction in a court of competent
10 jurisdiction for any violation of the provisions of Sections 561
11 through 567, 572, 578.1, 579, and 579.1 of this title.

12 SECTION 10. AMENDATORY 47 O.S. 2021, Section 565.2, is
13 amended to read as follows:

14 Section 565.2. A. Irrespective of the terms, provisions, or
15 conditions of any franchise, or the terms or provisions of any
16 waiver, no manufacturer shall terminate, cancel, or fail to renew
17 any franchise with a licensed new motor vehicle dealer unless the
18 manufacturer has satisfied the notice requirements as provided in
19 this section and has good cause for cancellation, termination, or
20 nonrenewal. The manufacturer shall not attempt to cancel or fail to
21 renew the franchise agreement of a new motor vehicle dealer in this
22 state unfairly and without just provocation or without due regard to
23 the equities of the dealer or without good faith as defined herein.
24 As used herein, "good faith" means the duty of each party to any

1 franchise agreement to act in a fair and equitable manner toward
2 each other, with freedom from coercion or intimidation or threats
3 thereof from each other.

4 B. Irrespective of the terms, provisions, or conditions of any
5 franchise, or the terms or provisions of any waiver, good cause
6 shall exist for the purpose of a termination, cancellation, or
7 nonrenewal when:

8 1. The new motor vehicle dealer has failed to comply with a
9 provision of the franchise, which provision is both reasonable and
10 of material significance to the franchise relationship, or the new
11 motor vehicle dealer has failed to comply with reasonable
12 performance criteria for sales or service established by the
13 manufacturer, and the new motor vehicle dealer has been notified by
14 written notice from the manufacturer; and

15 2. The new motor vehicle dealer has received written
16 notification of failure to comply with the manufacturer's reasonable
17 sales performance standards, capitalization requirements, facility
18 commitments, ~~business-related~~ business-related equipment
19 acquisitions, or other such remediable failings exclusive of those
20 reasons enumerated in paragraph 1 of subsection C of this section,
21 and the new motor vehicle dealer has been afforded a reasonable
22 opportunity of not less than six (6) months to comply with such a
23 provision or criteria.

24

1 C. Irrespective of the terms, provisions, or conditions of any
2 franchise agreement prior to the termination, cancellation, or
3 nonrenewal of any franchise, the manufacturer shall furnish
4 notification of such termination, cancellation, or nonrenewal to the
5 new motor vehicle dealer and the Oklahoma New Motor Vehicle
6 Commission as follows:

7 1. Not less than ninety (90) days prior to the effective date
8 of ~~such~~ the termination, cancellation, or nonrenewal unless for a
9 cause described in paragraph 2 of this subsection;

10 2. Not less than fifteen (15) days prior to the effective date
11 of ~~such~~ the termination, cancellation, or nonrenewal with respect to
12 any of the following:

13 a. insolvency of the new motor vehicle dealer, or the
14 filing of any petition by or against the new motor
15 vehicle dealer under any bankruptcy or receivership
16 law,

17 b. failure of the new motor vehicle dealer to conduct its
18 customary sales and service operations during its
19 customary business hours for seven (7) consecutive
20 business days, provided that such failure to conduct
21 business shall not be due to an act of God or
22 circumstances beyond the direct control of the new
23 motor vehicle dealer, or
24

1 c. conviction of the new motor vehicle dealer of any
2 felony which is punishable by imprisonment or a
3 violation of the Federal Odometer Act; and

4 3. Not less than one hundred eighty (180) days prior to the
5 effective date of ~~such~~ the termination or cancellation where the
6 manufacturer or distributor is discontinuing the sale of the product
7 line.

8 The notification required by this subsection shall be by
9 certified mail, return receipt requested, and shall contain a
10 statement of intent to terminate, to cancel, or to not renew the
11 franchise, a statement of the reasons for the termination,
12 cancellation, or nonrenewal and the date the termination shall take
13 effect.

14 D. Upon the affected new motor vehicle dealer's receipt of the
15 aforementioned notice of termination, cancellation, or nonrenewal,
16 the new motor vehicle dealer shall have the right to file a protest
17 of such threatened termination, cancellation, or nonrenewal with the
18 Commission within thirty (30) days and request a hearing. ~~Such~~ The
19 hearing shall be held within one hundred eighty (180) days of the
20 date of the timely protest by the dealer and in accordance with the
21 provisions of the Administrative Procedures Act, Sections ~~301~~ 250
22 through ~~326~~ 323 of Title 75 of the Oklahoma Statutes, to determine
23 if the threatened cancellation, termination, or nonrenewal of the
24 franchise has been for good cause and if the factory has complied

1 with its obligations pursuant to subsections A, B, and C of this
2 section and the factory shall have the burden of proof. Either
3 party may request an additional one-hundred-eighty-day extension of
4 the hearing date from the Commission. Approval of the requested
5 extension may not be unreasonably withheld or delayed. If the
6 Commission finds that the threatened cancellation, termination, or
7 nonrenewal of the franchise has not been for good cause or violates
8 subsection A, B, or C of this section, then it shall issue a final
9 order stating that the threatened termination is wrongful. A
10 factory shall have the right to appeal such order. During the
11 pendency of the hearing and after the decision, the franchise shall
12 remain in full force and effect, including the right to transfer the
13 franchise. If the Commission finds that the threatened
14 cancellation, termination, or nonrenewal is for good cause and does
15 not violate subsection A, B, or C of this section, the new motor
16 vehicle dealer shall have the right to an appeal. During the
17 pendency of the action, including the final decision or appeal, the
18 franchise shall remain in full force and effect, including the right
19 to transfer the franchise. If the new motor vehicle dealer prevails
20 in the threatened termination action, the Commission shall award to
21 the new motor vehicle dealer the attorney fees and costs incurred to
22 defend the action.

23

24

1 E. If the factory prevails in an action to terminate, cancel,
2 or not renew any franchise, the new motor vehicle dealer shall be
3 allowed fair and reasonable compensation by the manufacturer for:

4 1. New, current, and previous model year vehicle inventory
5 which has been acquired from the manufacturer, and which is unused
6 and has not been damaged or altered while in the new motor vehicle
7 dealer's possession;

8 2. Supplies and parts which have been acquired from the
9 manufacturer, for the purpose of this section, limited to any and
10 all supplies and parts that are listed on the current parts price
11 sheet available to the new motor vehicle dealer;

12 3. Equipment and furnishings, provided the new motor vehicle
13 dealer purchased them from the manufacturer or its approved sources;
14 and

15 4. Special tools, with such fair and reasonable compensation to
16 be paid by the manufacturer within ninety (90) days of the effective
17 date of the termination, cancellation, or nonrenewal, provided the
18 new motor vehicle dealer has clear title to the inventory and other
19 items and is in a position to convey that title to the manufacturer.

20 a. For the purposes of paragraph 1 of this subsection,
21 fair and reasonable compensation shall be no less than
22 the net acquisition price of the vehicle paid by the
23 new motor vehicle dealer.

24

1 b. For the purposes of paragraphs 2, 3, and 4 of this
2 subsection, fair and reasonable compensation shall be
3 the net acquisition price paid by the new motor
4 vehicle dealer less a twenty-percent (20%) straight-
5 line depreciation for each year following the dealer's
6 acquisition of the supplies, parts, equipment,
7 furnishings, and/or special tools.

8 F. If a factory prevails in an action to terminate, cancel, or
9 not renew any franchise and the new motor vehicle dealer is leasing
10 the dealership facilities, the manufacturer shall pay a reasonable
11 rent to the lessor in accordance with and subject to the provisions
12 of subsection G of this section. Nothing in this section shall be
13 construed to relieve a new motor vehicle dealer of its duty to
14 mitigate damages.

15 G. 1. Such reasonable rental value shall be paid only to the
16 extent the dealership premises are recognized in the franchise and
17 only if they are:

18 a. used solely for performance in accordance with the
19 franchise. If the facility is used for the operation
20 of more than one franchise, the reasonable rent shall
21 be paid based upon the portion of the facility
22 utilized by the franchise being terminated, canceled,
23 or nonrenewed, and

1 b. not substantially in excess of facilities recommended
2 by the manufacturer.

3 2. If the facilities are owned by the new motor vehicle dealer,
4 within ninety (90) days following the effective date of the
5 termination, cancellation, or nonrenewal, the manufacturer will
6 either:

7 a. locate a qualified purchaser who will offer to
8 purchase the dealership facilities at a reasonable
9 price,

10 b. locate a qualified lessee who will offer to lease the
11 premises for the remaining lease term at the rent set
12 forth in the lease, or

13 c. failing the foregoing, lease the dealership facilities
14 at a reasonable rental value for the portion of the
15 facility that is recognized in the franchise agreement
16 for one (1) year.

17 3. If the facilities are leased by the new motor vehicle
18 dealer, within ninety (90) days following the effective date of the
19 termination, cancellation, or nonrenewal the manufacturer will
20 either:

21 a. locate a tenant or tenants satisfactory to the lessor,
22 who will sublet or assume the balance of the lease,
23
24

1 b. arrange with the lessor for the cancellation of the
2 lease without penalty to the new motor vehicle dealer,
3 or

4 c. failing the foregoing, lease the dealership facilities
5 at a reasonable rent for the portion of the facility
6 that is recognized in the franchise agreement for one
7 (1) year.

8 4. The manufacturer shall not be obligated to provide
9 assistance under this section if the new motor vehicle dealer:

10 a. fails to accept a bona fide offer from a prospective
11 purchaser, ~~subleases~~ sublessee, or assignee,

12 b. refuses to execute a settlement agreement with the
13 lessor if such agreement with the lessor would be
14 without cost to the new motor vehicle dealer, or

15 c. fails to make written request for assistance under
16 this section within ninety (90) days after the
17 effective date of the termination, cancellation, or
18 nonrenewal.

19 5. The manufacturer shall be entitled to occupy and use any
20 space for which it pays rent required by this section.

21 H. In addition to the repurchase requirements set forth in
22 subsections E and G of this section, in the event the termination or
23 cancellation is the result of a discontinuance of a product line,
24 the manufacturer or distributor shall compensate the new motor

1 vehicle dealer in an amount equivalent to the fair market value of
2 the terminated franchise as of the date ~~of~~ immediately preceding the
3 manufacturer's or distributor's announcement or provide the new
4 motor vehicle dealer with a replacement franchise on substantially
5 similar terms and conditions as those offered to other same line-
6 make dealers. The new motor vehicle dealer may immediately request
7 payment under this ~~provision~~ section following the announcement in
8 exchange for ~~cancelling~~ canceling any further franchise rights,
9 except payments owed to the new motor vehicle dealer in the ordinary
10 course of business, or may request payment under this ~~provision~~
11 section upon the final termination, cancellation, or nonrenewal of
12 the franchise. In either case, payment under this ~~provision~~ section
13 shall be made not later than ninety (90) days after the fair market
14 value is determined. If the factory and new motor vehicle dealer
15 cannot agree on the fair market value of the terminated franchise or
16 agree to a process to determine the fair market value, then the
17 factory and new motor vehicle dealer shall utilize a neutral ~~third~~
18 ~~party~~ third-party mediator to resolve the disagreement.

19 SECTION 11. AMENDATORY 47 O.S. 2021, Section 565.3, is
20 amended to read as follows:

21 Section 565.3. A. A franchised vehicle dealer proposing a
22 sale, transfer, or assignment of a franchise agreement or the
23 business and assets of a dealership or an interest in a dealership
24 to another person, hereinafter transferee, shall notify the

1 manufacturer or distributor whose vehicles the dealer is franchised
2 to sell of the proposed action of the dealer. The manufacturer or
3 distributor may make written request to the proposed transferee to
4 submit completed application forms and related information generally
5 utilized by a manufacturer to evaluate such a proposal and a copy of
6 all agreements related to the proposed sale, transfer, or
7 assignment.

8 B. The approval by the manufacturer or distributor of the sale,
9 transfer, or assignment shall not be unreasonably withheld unless
10 the proposed transferee is not of good moral character or fails to
11 meet the written, reasonable, and uniformly applied requirements of
12 the manufacturer or distributor relating to prospective franchisees.
13 Approval of the transfer shall not be made contingent upon the
14 transferee meeting unreasonable facility requirements or performance
15 standards, ~~but may be made contingent upon the transferee meeting~~
16 ~~reasonable written requirements~~ different than those contained in
17 the transferor's franchise agreement and related addendum and
18 agreements, and any written notices provided to the existing dealer
19 prior to the manufacturer's or distributor's receipt of any written
20 notice from the existing dealer of the proposed transfer. However,
21 to be valid, any proposed change to the franchise pursuant to
22 written notice from the manufacturer or distributor shall be in
23 compliance with existing law. The burden of proof shall be upon the
24 manufacturer or distributor to show good cause existed to withhold

1 approval. The manufacturer or distributor that has made such a
2 determination shall send a letter by certified mail to the dealer
3 and the applicant of its refusal to approve the proposal, which
4 shall include a statement of the specific grounds for refusal,
5 within sixty (60) days after the later of:

6 1. Receipt by the manufacturer or distributor of the notice of
7 the proposed sale, transfer, or assignment; or

8 2. Receipt by the manufacturer or distributor of the
9 information requested from the proposed transferee pursuant to
10 subsection A of this section if the manufacturer or distributor has
11 requested such information within fifteen (15) days of receipt of
12 written notice of the proposed sale, transfer, or assignment.

13 C. Failure of the manufacturer or distributor to send its
14 notice of refusal pursuant to subsection B of this section shall
15 mean that the application for the proposed sale, transfer, or
16 assignment is approved.

17 D. If the proposed sale, transfer, or assignment is to an
18 existing owner's family member or other existing owner, the
19 manufacturer or distributor's evaluation of the proposal is limited
20 to the written, reasonable, and uniformly applied requirements of
21 the manufacturer or distributor relating to good moral character and
22 financial qualifications. Notwithstanding the foregoing, a change
23 in dealer operator shall be addressed pursuant to the provisions of
24 section 565.1 of this tile.

1 E. A dealer dealership or dealership owner receiving notice of
2 refusal of the sale, transfer, or assignment shall have the right to
3 file a protest with the Oklahoma New Motor Vehicle Commission within
4 thirty (30) days of receipt of the refusal. ~~A dealer receiving~~
5 ~~notice that the sale, transfer or assignment is contingent upon the~~
6 ~~transferee meeting facility and/or performance standards shall have~~
7 ~~the right to file a protest with the Commission within thirty (30)~~
8 ~~days of receipt of the notice.~~ In the event a protest is filed, the
9 manufacturer or distributor shall have the burden of proof to
10 establish the proposed transferee or the proposed transferee's
11 controlling executive management is not of good moral character or
12 fails to meet the written reasonable and uniformly applied
13 requirements of the manufacturer or distributor relating to
14 prospective franchisees or that the facility requirements are not
15 ~~reasonable based on the reasons set forth in subparagraph d of~~
16 ~~paragraph 9 of Section 565 of this title~~ different than those
17 contained in the transferor's franchise agreement.

18 F. Notwithstanding any other provision of this section, the
19 dealer shall submit a signed copy of the dealer sales and service
20 agreement resulting from any completed sale, transfer, or assignment
21 of a franchise to the Oklahoma New Motor Vehicle Commission within
22 fifteen (15) business days.

23 SECTION 12. AMENDATORY 47 O.S. 2021, Section 566, is
24 amended to read as follows:

1 Section 566. The Oklahoma New Motor Vehicle Commission may deny
2 any application for license, or suspend or revoke a license issued
3 or impose a fine, only after a hearing of which the applicant, or
4 licensee affected, shall be given at least ten (10) days' written
5 notice specifying the reason for denying the applicant a license,
6 or, in the case of a revocation or suspension or imposition of a
7 fine, the offenses of which the licensee is charged. ~~Such~~ The
8 notices may be served as provided by law for the service of notices,
9 or mailing a copy by registered mail to the last-known residence or
10 business address of ~~such~~ the applicant or licensee. The hearing on
11 ~~such~~ the charges shall be at such time and place as the Commission
12 may prescribe and the aforementioned notice shall further specify
13 the time and place. If ~~such~~ the applicant or licensee is a motor
14 vehicle salesperson, factory representative, or distributor
15 representative, the Commission shall in like manner also notify the
16 person, firm, association, corporation, or trust with whom he or she
17 is associated, or in whose association he or she is about to enter.
18 The Commission shall have the power to compel the production of all
19 records, papers, and other documents which may be deemed relevant to
20 the proceeding bearing upon the complaints. The Commission shall
21 have the power to subpoena and bring before it any person, or take
22 testimony of any such person by deposition, with the same fees and
23 mileage and in the same manner as prescribed in proceedings before
24 courts of the state in civil cases. Any party to ~~such~~ the hearing

1 shall have the right to the attendance of witnesses in his or her
2 behalf upon designating to the Commission the person or persons
3 sought to be subpoenaed.

4 SECTION 13. AMENDATORY 47 O.S. 2021, Section 566.1, is
5 amended to read as follows:

6 Section 566.1. All rulings, orders, decisions, procedures, or
7 acts of the Oklahoma New Motor Vehicle Commission shall be subject
8 to the provisions of the Administrative Procedures Act, Sections ~~301~~
9 250 through ~~326~~ 323 of Title 75 of the Oklahoma Statutes.

10 SECTION 14. AMENDATORY 47 O.S. 2021, Section 567, is
11 amended to read as follows:

12 Section 567. The Oklahoma New Motor Vehicle Commission is
13 hereby authorized, without cost bond or deposit, to institute
14 injunctive actions in courts of competent jurisdiction, in the name
15 of ~~the State of Oklahoma~~ this state on the relation of the
16 Commission, to enforce the provisions of Sections 561 through 567,
17 572, 578.1, 579, and 579.1 of this title. Any licensee or other
18 person who violates or threatens to violate any provision of this
19 chapter or rule promulgated thereunder or order of the Commission
20 may be enjoined from so doing.

21 SECTION 15. AMENDATORY 47 O.S. 2021, Section 576, is
22 amended to read as follows:

23 Section 576. There is hereby created a petty cash fund not to
24 exceed One Hundred Dollars (\$100.00) for the Oklahoma New Motor

1 Vehicle Commission, which may be expended for small authorized
2 expenses of the Commission.

3 SECTION 16. AMENDATORY 47 O.S. 2021, Section 578.1, is
4 amended to read as follows:

5 Section 578.1. A. Notwithstanding the terms of a franchise and
6 notwithstanding the terms of a waiver, if a factory intends or
7 proposes to enter into a franchise to establish an additional new
8 motor vehicle dealer or to relocate an existing new motor vehicle
9 dealer within or into a relevant market area in which the same line-
10 make of motor vehicle is currently represented, the factory shall
11 provide at least sixty (60) days advance written notice to the
12 Commission and to each new motor vehicle dealer of the same line-
13 make in the relevant market area, of the intention of the factory to
14 establish an additional new motor vehicle dealer or to relocate an
15 existing new motor vehicle dealer within or into the relevant market
16 area. For purposes of this section, the "relevant market area"
17 means the area within a radius of fifteen (15) miles ~~of~~ around the
18 site of the proposed new motor vehicle dealership measured from the
19 property boundary of primary dealership property. The notice shall
20 be sent by certified mail to each party and shall include the
21 following information:

22 1. The specific location at which the additional or relocated
23 new motor vehicle dealer will be established;

24

1 2. The date on or after which the additional or relocated new
2 motor vehicle dealer intends to commence business at the proposed
3 location;

4 3. The identity of all new motor vehicle dealers who are
5 franchised to sell the same line-make vehicles as the proposed new
6 motor vehicle dealer and who have licensed locations within the
7 relevant market area;

8 4. The names and addresses of the person intended to be
9 franchised as the proposed additional or relocated new motor vehicle
10 dealership, the principal investors in the proposed additional or
11 relocated new motor vehicle dealership, and the proposed dealer
12 operator of the proposed additional or relocated new motor vehicle
13 dealership; and

14 5. The specific grounds or reasons for the proposed
15 establishment of an additional new motor vehicle dealer or
16 relocation of an existing new motor vehicle dealer.

17 B. ~~This section does not apply~~ The notification requirements
18 prescribed in subsection A of this section shall not apply if:

19 1. ~~To the~~ The relocation of an existing new motor vehicle
20 dealer is within the relevant market area of that dealer; provided,
21 that the relocation not be at a site within ten (10) miles of a
22 licensed new motor vehicle dealer for the same line-make of motor
23 vehicle;

1 2. ~~To a~~ A proposed additional new motor vehicle dealer which is
2 to be established at or within two (2) miles of a location at which
3 a former licensed new motor vehicle dealer for the same line-make of
4 new motor vehicle had ceased operating within the previous two (2)
5 years;

6 3. ~~To the~~ The relocation of an existing new motor vehicle
7 dealer is within two (2) miles of the existing site of the new motor
8 vehicle dealership; or

9 4. ~~To the~~ The proposed site for the relocation of an existing
10 new motor vehicle dealer ~~if the proposed site of the relocated new~~
11 ~~motor vehicle dealership~~ is farther away from all other new motor
12 vehicle dealers of the same line-make in that relevant market area.

13 C. Within thirty (30) days after receipt of the notice, or
14 within thirty (30) days after the end of an appeal procedure
15 provided by the factory, whichever is greater, a new motor vehicle
16 dealer so notified or entitled to notice may file a petition with
17 the Commission protesting the proposed establishment or relocation.
18 The petition shall contain a short statement setting forth the
19 reasons for the objection of the new motor vehicle dealer to the
20 proposed establishment or relocation. Upon filing of a protest, the
21 Commission shall promptly notify the factory that a timely protest
22 has been filed and shall schedule a hearing, which shall be held
23 within one hundred twenty (120) days of the filing of a timely
24 protest. The factory shall not establish or relocate the new motor

1 vehicle dealer until the Commission has held a hearing and has
2 determined that there is good cause for permitting the proposed
3 establishment or relocation. When more than one protest is filed
4 against the establishment or relocation of the same dealer, the
5 Commission shall consolidate the hearings to expedite disposition of
6 the matter.

7 D. The burden of proof to establish that good cause exists for
8 permitting the proposed establishment of a new motor vehicle dealer
9 or relocating an existing new motor vehicle dealership shall be on
10 the applicant who seeks to establish a new motor vehicle dealership
11 or the relocation of an existing new motor vehicle dealership.

12 SECTION 17. AMENDATORY 47 O.S. 2021, Section 579, is
13 amended to read as follows:

14 Section 579. In determining whether good cause has been
15 established for permitting the proposed establishment or relocation
16 of an additional franchise for the same line-make, the Oklahoma New
17 Motor Vehicle Commission shall take into consideration, and must be
18 persuaded, that good cause exists for entering into or relocating an
19 additional franchise for the same line-make by the greater weight of
20 facts and the existing circumstances, including, but not limited to:

- 21 1. Permanency of the investment of the proposed dealership;
- 22 2. Effect on the retail new motor vehicle business and the
23 consuming public in the relevant market area;

24

1 3. Whether it is injurious to the public welfare for an
2 additional new motor vehicle dealership to be established;

3 4. Whether the new motor vehicle dealers of the same line-make
4 in that relevant market area are providing adequate competition and
5 convenient consumer care for the motor vehicle sales and service
6 facilities, equipment, supply of motor vehicle parts, and qualified
7 service personnel; and

8 5. Whether the establishment of an additional new motor vehicle
9 dealership would increase competition, and therefore be in the
10 public interest.

11 SECTION 18. AMENDATORY 47 O.S. 2021, Section 580.2, is
12 amended to read as follows:

13 Section 580.2. During the time a person is operating a motor
14 vehicle with the express or implied permission of ~~an authorized~~ a
15 new motor vehicle dealer, as defined in Section 562 of this title,
16 such person's motor vehicle liability policy shall have primary
17 coverage with the motor vehicle liability policy of the new motor
18 vehicle dealer having secondary coverage until the vehicle is
19 returned. As used herein, "motor vehicle liability policy" means
20 motor vehicle insurance against legal liability for the death,
21 injury, or disability of any human being, or for damage to real or
22 personal property. The motor vehicle liability policy of any person
23 who has been loaned a vehicle by a new motor vehicle dealer pursuant
24 to the terms of this section shall provide primary coverage for any

1 death or injury of any human being or for any real or personal
2 property damage, including damage to the loaned vehicle, with the
3 motor vehicle insurance policy of the new motor vehicle dealer
4 having secondary coverage for any death or injury of any human being
5 or for any real or personal property damage, including damage to the
6 loaned vehicle. The change in financial responsibility shall be
7 evidenced by a release signed by the person operating the vehicle
8 with the express or implied permission of the new motor vehicle
9 dealer with the release to be returned to the person upon the return
10 of the motor vehicle to the new motor vehicle dealer. The motor
11 vehicle liability policy of such person shall meet the minimum
12 financial responsibility requirements found in Section 7-324 of this
13 title.

14 This section shall apply only to the loan of a motor vehicle by
15 ~~an authorized~~ a new motor vehicle dealer which ~~loan~~ occurs without
16 financial remuneration in the form of a fee or lease charge.

17 SECTION 19. AMENDATORY 47 O.S. 2021, Section 583, as
18 amended by Section 3, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022,
19 Section 583), is amended to read as follows:

20 Section 583. A. 1. It shall be unlawful and constitute a
21 misdemeanor for any person to engage in business as, or serve in the
22 capacity of, or act as a used motor vehicle dealer, wholesale used
23 motor vehicle dealer, manufactured home dealer, restricted
24 manufactured home park dealer, manufactured home installer, or

1 manufactured home manufacturer selling directly to a licensed
2 manufactured home dealer in this state without first obtaining a
3 license or following other requirements therefor as provided in this
4 section.

5 2. a. Any person engaging, acting, or serving in the
6 capacity of a used motor vehicle dealer, a
7 manufactured home dealer, restricted manufactured home
8 park dealer, a manufactured home installer, or a
9 manufactured home manufacturer, or having more than
10 one place where any such business, or combination of
11 businesses, is carried on or conducted shall be
12 required to obtain and hold a current license for each
13 such business, in which engaged.

14 b. If after a hearing in accordance with the provisions
15 of Section 585 of this title, the Oklahoma Used Motor
16 Vehicle, Dismantler, and Manufactured Housing
17 Commission shall find any person installing a mobile
18 or manufactured home to be in violation of any of the
19 provisions of ~~this act~~ Section 581 et seq. of this
20 title, such person may be subject to an administrative
21 fine of not more than Five Hundred Dollars (\$500.00)
22 for each violation. Each day a person is in violation
23 of ~~this act~~ Section 581 et seq. of this title may
24 constitute a separate violation. All administrative

1 fines collected pursuant to the provisions of this
2 subparagraph shall be deposited in the fund
3 established in Section 582 of this title.

4 Administrative fines imposed pursuant to this
5 subparagraph may be enforceable in the district courts
6 of this state.

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

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

- a. the applicant's financial standing,
- b. the applicant's business integrity,
- c. whether the applicant has an established place of business and is engaged in the pursuit, avocation, or business for which a license, or licenses, is applied for,
- d. whether the applicant is able to properly conduct the business for which a license, or licenses, is applied for, and
- e. such other pertinent information consistent with the safeguarding of the public interest and the public welfare.

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

3. All bonds and licenses issued under the provisions of ~~this act~~ Section 581 et seq. of this title shall expire on December 31, following the date of issue and shall be nontransferable. All applications for renewal of licenses shall be submitted by November 1 of each year of expiration, and licenses for completed renewals received by November 1 shall be issued by January 10. If applications have not been made for renewal of licenses, such

1 licenses shall expire on December 31 and it shall be illegal for any
2 person to represent himself or herself and act as a dealer
3 thereafter. Tag agents shall be notified not to accept dealers'
4 titles until such time as licenses have been issued. Beginning
5 January 1, 2016, all licenses shall be issued for a period of two
6 (2) years and the appropriate fees shall be assessed. The
7 Commission shall adopt rules necessary to implement the two-year
8 licensing provisions.

9 4. A certificate of registration shall permit the registered
10 person to engage in the activities of a used motor vehicle
11 salesperson. A salesperson shall be deemed to be temporarily
12 approved and allowed to sell vehicles when applications and fees are
13 on file with the Commission.

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

17 1. For each used motor vehicle dealer's license and each
18 wholesale used motor vehicle dealer's license, Six Hundred Dollars
19 (\$600.00). If a used motor vehicle dealer or a wholesale used motor
20 vehicle dealer has once been licensed by the Commission in the
21 classification for which he or she applies for a renewal of the
22 license, the fee for each subsequent renewal shall be Three Hundred
23 Dollars (\$300.00); provided, if an applicant holds a license to
24 conduct business as an automotive dismantler and parts recycler

1 issued pursuant to Section 591.1 et seq. of this title, the initial
2 fee shall be Two Hundred Dollars (\$200.00) and the renewal fee shall
3 be Two Hundred Dollars (\$200.00). If an applicant is applying
4 simultaneously for a license under this paragraph and a license
5 under paragraph 1 of Section 591.5 of this title, the initial
6 application fee shall be Four Hundred Dollars (\$400.00). For the
7 reinstatement of a used motor vehicle dealer's license after
8 revocation for cancellation or expiration of insurance pursuant to
9 subsection F of this section, the fee shall be Two Hundred Dollars
10 (\$200.00);

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

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

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 5. a. For each manufactured home installer's license, Four
7 Hundred Dollars (\$400.00), and
- 8 b. For each renewal of a manufactured home installer's
9 license, Four Hundred Dollars (\$400.00);
- 10 6. a. For each manufactured home manufacturer selling
11 directly to a licensed manufactured home dealer in
12 this state, One Thousand Five Hundred Dollars
13 (\$1,500.00), and
- 14 b. For each renewal of a manufactured home manufacturer's
15 license, One Thousand Five Hundred Dollars
16 (\$1,500.00);
- 17 7. Any manufactured home manufacturer who sells a new
18 manufactured home to be shipped to or sited in ~~the State of Oklahoma~~
19 this state shall pay an installation inspection fee of Seventy-five
20 Dollars (\$75.00) for each new single-wide manufactured home and One
21 Hundred Twenty-five Dollars (\$125.00) for each new multi-floor
22 manufactured home; and
- 23 8. A used manufactured home inspection fee of Seventy-five
24 Dollars (\$75.00) shall be paid by the installer at or before the

1 time of installation of any used manufactured home sited and
2 installed in ~~the State of Oklahoma~~ this state.

3 D. 1. The license issued to each used motor vehicle dealer,
4 each wholesale used motor vehicle dealer, each restricted
5 manufactured home park dealer and each manufactured home dealer
6 shall specify the location of the place of business. If the
7 business location is changed, the Oklahoma Used Motor Vehicle,
8 Dismantler, and Manufactured Housing Commission shall be notified
9 immediately of the change and the Commission may endorse the change
10 of location on the license. The fee for a change of location shall
11 be One Hundred Dollars (\$100.00), and the fee for a change of name,
12 Twenty-five Dollars (\$25.00). The license of each licensee shall be
13 posted in a conspicuous place in the place or places of business of
14 the licensee.

15 2. The license issued to each manufactured home installer and
16 each manufactured home manufacturer shall specify the location of
17 the place of business. If the business location is changed, the
18 Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing
19 Commission shall be notified immediately of the change and the
20 Commission may endorse the change of location on the license without
21 charge. The license of each licensee shall be posted in a
22 conspicuous place in the place or places of business of the
23 licensee.

24

1 3. 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 or
8 restricted manufactured home park dealer in this state
9 shall procure and file with the Commission a good and
10 sufficient bond in the amount of Thirty Thousand
11 Dollars (\$30,000.00). In addition to all other
12 conditions and requirements set forth herein, the bond
13 shall require the availability of prompt and full
14 warranty service by the manufacturer to comply with
15 all warranties expressed or implied in connection with
16 each manufactured home which is manufactured for
17 resale or use in this state. A manufacturer may not
18 sell, exchange, or lease-purchase with an option to
19 own in any form a manufactured home to a person in
20 this state directly or indirectly through a
21 distributor or third party who is not a licensed
22 manufactured home dealer or a restricted manufactured
23 home park dealer.

1 g. The bond shall be approved as to form by the Attorney
2 General and conditioned that the applicant shall not
3 practice fraud, make any fraudulent representation, or
4 violate any of the provisions of ~~this act~~ Section 581
5 et seq. of this title in the conduct of the business
6 for which the applicant is licensed. One of the
7 purposes of the bond is to provide reimbursement for
8 any loss or damage suffered by any person by reason of
9 issuance of a certificate of title by a used motor
10 vehicle dealer, a wholesale used motor vehicle dealer,
11 a restricted manufactured home park dealer or a
12 manufactured home dealer.

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

17 F. Any used motor vehicle dealer or wholesale used motor
18 vehicle dealer is required to furnish and keep in force a minimum of
19 Twenty-five Thousand Dollars (\$25,000.00) of single liability
20 insurance coverage on all vehicles offered for sale or used in any
21 other capacity in demonstrating or utilizing the streets and
22 roadways in accordance with the financial responsibility laws of
23 this state.
24

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

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

10 SECTION 20. AMENDATORY 47 O.S. 2021, Section 583.1, as
11 amended by Section 4, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022,
12 Section 583.1), is amended to read as follows:

13 Section 583.1. A. It shall be punishable by an administrative
14 fine not to exceed Five Hundred Dollars (\$500.00) for any person,
15 firm, association, corporation, or trust to engage in business as,
16 or serve in the capacity of, a used motor vehicle salesperson in
17 this state without first obtaining a certificate of registration
18 with the Oklahoma Used Motor Vehicle, Dismantler, and Manufactured
19 Housing Commission. However, a person may sell used motor vehicles
20 without obtaining a separate used motor vehicle salesperson's
21 certificate of registration if the person has a certificate of
22 registration from the Oklahoma New Motor Vehicle Commission to sell
23 new or unused motor vehicles at a new motor vehicle dealer's
24 licensed franchise location which also sells used vehicles;

1 provided, such a person shall only be authorized to sell used motor
2 vehicles for the dealer at the new motor vehicle dealer's licensed
3 franchise location and to represent the new motor vehicle dealer at
4 used motor vehicle auctions. The cost of the registration for each
5 salesperson shall be Fifty Dollars (\$50.00) to be renewed biennially
6 and, for a transfer, Twenty-five Dollars (\$25.00). The cost of
7 registration is to be borne by the employing entity of the
8 salesperson. The Oklahoma Used Motor Vehicle, Dismantler, and
9 Manufactured Housing Commission shall promulgate rules and
10 procedures necessary for the implementation and creation of a
11 registry of salespersons and the issuance of certificates of
12 registration.

13 B. 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
16 serve in the capacity of, a manufactured home salesperson in this
17 state without first obtaining a certificate of registration with the
18 Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing
19 Commission. The cost of the registration for each salesperson shall
20 be Fifty Dollars (\$50.00) to be renewed biennially and, for a
21 transfer, Twenty-five Dollars (\$25.00). The cost of registration is
22 to be borne by the employing entity of the salesperson. The
23 Commission shall promulgate rules and procedures necessary for the

24

1 implementation and creation of a registry of salespersons and the
2 issuance of certificates of registration.

3 SECTION 21. AMENDATORY 47 O.S. 2021, Section 596.1, is
4 amended to read as follows:

5 Section 596.1. As used in ~~this act~~ the Recreational Vehicle
6 Franchise Act:

7 1. "Area of sales responsibility" means a geographical area
8 agreed to by a dealer and the manufacturer in a dealer agreement in
9 which the dealer has the exclusive right to display or sell the new
10 recreational vehicles of a manufacturer of a particular line-make to
11 the public;

12 2. "Camping trailer" means a vehicular unit that is mounted on
13 wheels and constructed with collapsible partial side walls that fold
14 for towing by another vehicle and unfold at the campsite to provide
15 temporary living quarters for recreational, camping, or travel use;

16 3. "Commission" means the Oklahoma New Motor Vehicle
17 Commission;

18 4. "Dealer" means any person, firm, corporation, or business
19 entity licensed or required to be licensed pursuant to the
20 provisions of ~~this act~~ the Recreational Vehicle Franchise Act to
21 sell new recreational vehicles;

22 ~~4.~~ 5. "Dealer agreement" means a written agreement or contract
23 entered into between a manufacturer and a dealer that establishes
24 the legal rights and obligations of the parties to that agreement or

1 contract and pursuant to which the dealer is authorized to sell new
2 recreational vehicles manufactured or distributed by the
3 manufacturer;

4 ~~5.~~ 6. "Established place of business" means a permanently
5 enclosed building or structure, easily accessible to the public,
6 with a paved or graveled lot for customer parking and for the
7 showing and storage of vehicles. Established place of business
8 shall not mean tents, temporary stands, lots, or other temporary
9 quarters. The established place of business shall have a sign
10 visible from the outside of the business which identifies the
11 recreational vehicle dealership. The established place of business
12 shall have an indoor office with public areas sufficient to conduct
13 sales transactions with customers and have restroom facilities
14 available for the public. The established place of business shall
15 include a service and parts area, separated from the public areas,
16 equipped with tools, equipment, and replacement parts necessary for
17 reasonably expected warranty and service needs;

18 ~~6.~~ 7. "Factory campaign" means an effort by a warrantor to
19 contact recreational vehicle owners or recreational vehicle dealers
20 in order to address an issue concerning a recreational vehicle
21 problem, defective part, or equipment;

22 ~~7.~~ 8. "Factory representative" means any officer or agent
23 engaged as a representative of a manufacturer of recreational
24 vehicles or a factory branch for the purpose of making or promoting

1 the sale of recreational vehicles of the manufacturer or for
2 supervising or contacting dealers or prospective dealers of the
3 manufacturer;

4 ~~8.~~ 9. "Family member" means any of the following:

- 5 a. a spouse of an individual,
- 6 b. a child, grandchild, parent, sibling, niece, or nephew
7 of an individual, or
- 8 c. the spouse of a child, grandchild, parent, sibling,
9 niece, or nephew of an individual;

10 ~~9.~~ 10. "Fifth wheel trailer" means a vehicular unit mounted on
11 wheels that is designed to provide temporary living quarters for
12 recreational, camping, or travel use of such size and weight as to
13 not require a special highway movement permit and is designed to be
14 towed by a motorized vehicle that contains a towing mechanism that
15 is mounted above or forward of the rear axle of the tow vehicle;

16 ~~10.~~ 11. "Line-make" means a specific series of recreational
17 vehicle products that meet all of the following:

- 18 a. are identified by a common series trade name or
19 trademark,
- 20 b. are targeted to a particular market segment based on
21 the decor, features, equipment, size, weight, and
22 price range,
- 23 c. have dimensions and interior floor plans that
24 distinguish the recreational vehicles from

- 1 recreational vehicles that have substantially the same
2 decor, features, equipment, weight, and price,
3 d. belong to a single, distinct classification of
4 recreational vehicle product type that has a
5 substantial degree of commonality in the construction
6 of the chassis, frame, and body, and
7 e. are authorized for sale by the dealer in the dealer
8 agreement;

9 ~~11.~~ 12. "Manufacturer" means a person that manufactures or
10 wholesales recreational vehicles or that distributes or wholesales
11 recreational vehicles to dealers;

12 ~~12.~~ 13. "Motor home" means a motorized, vehicular unit designed
13 to provide temporary living quarters for recreational, camping, or
14 travel use;

15 ~~13.~~ ~~"OMVC" means the Oklahoma Motor Vehicle Commission;~~

16 14. "Person" means an individual, partnership, corporation,
17 limited liability company, association, trust, estate, or other
18 legal entity;

19 15. "Proprietary part" means a recreational vehicle part
20 manufactured by or for a manufacturer and sold exclusively by a
21 manufacturer;

22 16. "Recreational vehicle" means a vehicle that:
23
24

- a. is primarily designed as a vehicle that also provides temporary living quarters for noncommercial, recreational, or camping use,
- b. is built to the standards of the National Fire Protection Association for recreational vehicles,
- c. has its own motive power or is mounted on or towed by another vehicle,
- d. is regulated by the National Highway Traffic Safety Administration as a vehicle or vehicle equipment,
- e. does not require a special highway use permit for operation on the highways, and
- f. an individual can easily transport and set up on a daily basis.

Recreational vehicles ~~includes~~ include motor homes, travel trailers, fifth wheel travel trailers, folding camping trailers, and truck campers;

17. "Recreational vehicle salesperson" means any person who, for gain or compensation of any kind, either directly or indirectly, regularly or occasionally, by any form of agreement or arrangement, sells or negotiates for the sale of any new recreational vehicle for any new recreational vehicle dealer to any one or more third parties;

18. "Transient customer" means a person who:

- a. owns a recreational vehicle,

- 1 b. is temporarily traveling through the area of sales
2 responsibility of a dealer,
3 c. engages the dealer to perform service work on that
4 recreational vehicle, and
5 d. requires repairs that relate to the safe operations of
6 that recreational vehicle or, if not undertaken, are
7 of a nature that would render that recreational
8 vehicle unusable;

9 19. "Travel trailer" means a vehicular unit mounted on wheels
10 that is designed to provide temporary living quarters for
11 recreational, camping, or travel use of such size and weight as to
12 not require a special highway movement permit when towed by a
13 motorized vehicle;

14 20. "Truck camper" means a portable unit that is constructed to
15 provide temporary living quarters for recreational, camping, or
16 travel use and consists of a roof, floor, and sides and is designed
17 to be loaded onto and unloaded from the back of a pickup truck; and

18 21. "Warrantor" means a manufacturer or any other person that
19 provides a warranty to the consumer in connection with a new
20 recreational vehicle or parts, accessories, or components of a new
21 recreational vehicle. The term does not include a person that
22 provides a service contract, mechanical or other insurance, or an
23 extended warranty sold for separate consideration by a dealer or
24 other person not controlled by a warrantor.

1 SECTION 22. AMENDATORY 47 O.S. 2021, Section 596.2, is
2 amended to read as follows:

3 Section 596.2. A. It shall be unlawful for any person, firm,
4 association, corporation, or trust to engage in business as, ~~or~~
5 serve in the capacity of, or act as a new recreational vehicle
6 dealer, new recreational vehicle manufacturer, new recreational
7 vehicle factory representative, or new recreational vehicle
8 salesperson in this state without first obtaining a license or
9 salesperson registration as provided for by law.

10 B. The Oklahoma New Motor Vehicle Commission ~~(OMVC)~~ shall issue
11 new recreational vehicle dealer, manufacturer and factory
12 representative licenses, and recreational vehicle salesperson
13 registrations upon application. The Commission shall promulgate
14 rules and forms to implement and enforce the provisions of this
15 section.

16 C. The schedule of license fees and salesperson registration
17 fees to be charged and received by the Oklahoma New Motor Vehicle
18 Commission for the licenses issued hereunder shall be as follows:

19 1. For each manufacturer or distributor of new recreational
20 vehicles, an initial fee of Four Hundred Dollars (\$400.00) with an
21 annual renewal fee of Three Hundred Dollars (\$300.00);

22 2. For each factory representative, an initial fee of One
23 Hundred Dollars (\$100.00) with an annual renewal fee of One Hundred
24 Dollars (\$100.00);

1 3. For each new motor home dealer, an initial fee of Three
2 Hundred Dollars (\$300.00) per franchise sold at each licensed
3 location with an annual renewal fee of One Hundred Dollars (\$100.00)
4 per franchise sold at each licensed location;

5 4. For each fifth wheel trailer, travel trailer, camping
6 trailer, and truck camper dealer, an initial fee of Three Hundred
7 Dollars (\$300.00) per manufacturer represented at each licensed
8 location with an annual renewal fee of One Hundred Dollars (\$100.00)
9 per manufacturer represented at each location; and

10 5. For each salesperson registration, an initial fee of Twenty-
11 five Dollars (\$25.00) with an annual renewal fee of Twenty-five
12 Dollars (\$25.00).

13 D. A manufacturer shall not sell or display for sale a
14 recreational vehicle in this state except to a dealer or through a
15 dealer that is licensed by the Commission to sell recreational
16 vehicles in ~~the State of Oklahoma~~ this state. The manufacturer
17 shall also be required to have a dealer agreement with the dealer
18 that meets the requirements of the Recreational Vehicle Franchise
19 Act and is signed by both parties.

20 E. A dealer shall not sell or display for sale a new
21 recreational vehicle in this state unless the dealer is licensed by
22 the Commission to sell recreational vehicles in ~~the State of~~
23 ~~Oklahoma~~ this state. The dealer shall also be required to have a
24 dealer agreement with the manufacturer of the recreational vehicle

1 that meets the requirements of ~~this act~~ the Recreational Vehicle
2 Franchise Act and is signed by both parties.

3 SECTION 23. AMENDATORY 47 O.S. 2021, Section 596.3, is
4 amended to read as follows:

5 Section 596.3. A. All of the following conditions shall apply
6 to the area of sales responsibility of a dealer included in a dealer
7 agreement between a manufacturer and a dealer:

8 1. The manufacturer shall designate in the dealer agreement the
9 area of sales responsibility exclusively assigned to the dealer;

10 2. The manufacturer shall not change the area of sales
11 responsibility of a dealer or establish another dealer for the same
12 line-make in that area during the term of the dealer agreement; and

13 3. The area of sales responsibility may not be reviewed or
14 changed without the consent of both parties until one (1) year after
15 the execution of the dealer agreement.

16 B. A dealer ~~may~~ shall not conduct sales activity or display for
17 sale recreational vehicles outside of its designated area of sales
18 responsibility.

19 C. A dealer may sell ~~off-premise~~ off-premises within the area
20 of sales responsibility of the dealer under the following
21 circumstances:

22 1. At sanctioned recreational vehicle shows where the sales
23 event is held ~~off-premise~~ off-premises and at least sixty-seven
24 percent (67%) of the recreational vehicle dealers that are located

1 within a sixty-mile radius of the location of the show participate
2 in the show. A sanctioned recreational vehicle show may be held
3 only under the following conditions:

- 4 a. the sponsoring entity of the sales event shall obtain
5 a permit from the ~~OMVC~~ Oklahoma New Motor Vehicle
6 Commission at the rate of Two Hundred Dollars
7 (\$200.00) per event. The permit shall be for a period
8 not to exceed ten (10) consecutive days,
- 9 b. dealer permits for a sanctioned recreational vehicle
10 show described in this paragraph shall be obtained
11 from the ~~OMVC~~ Commission at a rate of Fifteen Dollars
12 (\$15.00) for each motor home per sanctioned
13 recreational vehicle show,
- 14 c. new recreational vehicle dealers whose manufacturer-
15 approved area of responsibility includes the event
16 location shall be eligible to participate in the
17 sanctioned recreational vehicle show,
- 18 d. new recreational vehicle dealers shall obtain written
19 approval from the manufacturer or distributor to
20 participate in the sanctioned recreational vehicle
21 show, and
- 22 e. the sanctioned recreational vehicle show shall be
23 conducted within municipal, county, or state-owned or
24

1 controlled facilities or within the grounds of any
2 county, district, or state fair; and

3 2. At nonsanctioned recreational vehicle shows where one or
4 more dealers may sell recreational vehicles ~~off-premise~~ off-premises
5 under the following conditions:

- 6 a. dealer permits for a nonsanctioned recreational
7 vehicle show described in this paragraph shall be
8 obtained from the ~~OMVC~~ Commission at a rate of Fifteen
9 Dollars (\$15.00) for each recreational vehicle per
10 nonsanctioned recreational vehicle show,
- 11 b. the location of the nonsanctioned recreational vehicle
12 show shall be within the manufacturer-approved area of
13 responsibility,
- 14 c. the nonsanctioned recreational vehicle show shall
15 occur no more than five (5) consecutive days per
16 event, excluding county, district, or state fairs,
- 17 d. each dealer may participate in no more than eight
18 nonsanctioned recreational vehicle shows per calendar
19 year, and
- 20 e. nonsanctioned recreational vehicle shows shall be held
21 on privately owned property no closer than two and
22 one-half (2 1/2) miles to any other nonparticipating
23 recreational vehicle dealer; provided, however, a
24 nonsanctioned recreational vehicle show may be held on

1 county or municipally owned property with no mileage
2 barrier restriction.

3 D. A dealer may display a recreational vehicle within the
4 designated area of responsibility of the dealer for promotional
5 purposes. At an ~~off-premise~~ off-premises display event, no sales
6 activities shall be conducted including, but not limited to,
7 negotiations, financing, and accepting credit applications. Sales
8 or finance personnel shall not be permitted to participate at an
9 ~~off-premise~~ off-premises display event. A permit for the ~~off-~~
10 ~~premise~~ off-premises display event shall not be required.

11 E. A dealer agreement shall include a designated principal of
12 the dealer. A dealer agreement may identify a family member as the
13 successor of the principal or include a succession plan of the
14 dealer. A dealer may at any time change a designation or succession
15 plan made in the dealer agreement by providing written notice to the
16 manufacturer.

17 SECTION 24. AMENDATORY 47 O.S. 2021, Section 596.5, is
18 amended to read as follows:

19 Section 596.5. A. A manufacturer, directly or through any
20 officer, agent, or employee, may terminate or not renew a dealer
21 agreement without good cause. If the manufacturer terminates or
22 does not renew the dealer agreement without good cause, the
23 manufacturer shall comply with the provisions of subsections D and E
24 of this section. If the manufacturer terminates or does not renew

1 the dealer agreement with good cause, the provisions of subsections
2 D and E of this section shall not apply.

3 B. A manufacturer has the burden of showing good cause for
4 terminating or not renewing a dealer agreement. All of the
5 following factors shall be considered in determining whether there
6 is good cause for a proposed termination or nonrenewal of a dealer
7 agreement by a manufacturer:

8 1. The extent of the penetration of the dealer in the relevant
9 market area;

10 2. The extent and quality of the service of the dealer under
11 recreational vehicle warranties;

12 3. The nature and extent of the investment of the dealer in
13 business of the dealer;

14 4. The adequacy of the service facilities, equipment, parts,
15 supplies, and personnel of the dealer;

16 5. The effect of the proposed action on the community;

17 6. Whether the dealer fails to follow agreed-upon procedures or
18 standards related to the overall operation of the dealership; and

19 7. The performance by the dealer under the terms of dealer
20 agreement.

21 C. Except as otherwise provided in this section, a manufacturer
22 shall provide a dealer with written notice of a termination or
23 nonrenewal of a dealer agreement. All of the following conditions
24 apply to a notice described in this subsection:

1 1. Except as provided in paragraph 4 or 5 of this subsection,
2 the manufacturer shall provide written notice at least ninety (90)
3 days before the effective date of the termination or nonrenewal of
4 the dealer agreement;

5 2. The notice shall state all of the reasons for the
6 termination or nonrenewal of the dealer agreement;

7 3. The notice shall state that if the dealer provides to the
8 manufacturer a written notification of the intent of the dealer to
9 cure all claimed deficiencies within thirty (30) days after the
10 dealer receives the notice, the dealer shall have one hundred twenty
11 (120) days after the date of the notice to correct the claimed
12 deficiencies. If all of the deficiencies are corrected within the
13 one-hundred-twenty-day time period, the notice shall be deemed void
14 and the manufacturer shall not terminate or not renew the dealer
15 agreement because of the claimed deficiencies stated in the notice.
16 If the dealer does not provide a notification of intent to cure
17 deficiencies within the thirty-day time period, the termination or
18 nonrenewal of the dealer agreement shall take effect sixty (60) days
19 after the dealer received the notice from the manufacturer;

20 4. A manufacturer may reduce the notice period described in
21 paragraph 1 of this subsection from ninety (90) days to thirty (30)
22 days and shall not be required to allow the dealer an opportunity to
23 correct the deficiencies if the grounds for termination or
24 nonrenewal of the dealer agreement by the manufacturer are any of

1 the specific categories of good cause described in subsection F of
2 this section; and

3 5. A manufacturer shall not be required to provide notice or an
4 opportunity to correct deficiencies under this subsection if the
5 grounds for termination or nonrenewal of the dealer agreement by the
6 manufacturer includes one of the following:

- 7 a. the dealer becomes insolvent,
- 8 b. the dealer is bankrupt, or
- 9 c. the dealer makes an assignment for the benefit of
10 creditors.

11 D. If a manufacturer terminates or does not renew a dealer
12 agreement for good cause under this section, the dealer, at its
13 option, may require the manufacturer to repurchase any of the
14 following from the dealer:

15 1. All new, untitled recreational vehicles that were acquired
16 from the manufacturer within eighteen (18) months before the
17 effective date of the notice of termination of the dealer agreement
18 that have not been used, except for demonstration purposes and have
19 not been altered or damaged, may be repurchased at one hundred
20 percent (100%) of the net invoice cost of the recreational vehicles,
21 including transportation, less applicable rebates and discounts to
22 the dealer;

23 2. All current and undamaged accessories and proprietary parts
24 sold to the dealer for resale within the eighteen (18) months prior

1 to the effective date of the termination of the dealer agreement
2 that are accompanied by the original invoice may be repurchased at
3 one hundred five percent (105%) of the original net price paid to
4 the manufacturer to compensate the dealer for handling, packing, and
5 shipping the accessories and parts; and

6 3. Any properly functioning diagnostic equipment, special
7 tools, current signage, and other equipment and machinery, purchased
8 by the dealer within the five (5) years prior to the effective date
9 of the termination of the dealer agreement at the request of the
10 manufacturer, if ~~such~~ the equipment or machinery cannot be used in
11 the normal course of the ongoing business of the dealer, may be
12 repurchased at one hundred percent (100%) of the net cost of the
13 dealer, plus freight, destination, delivery, and distribution
14 charges and sales taxes.

15 E. The dealer shall promptly return or arrange for the return
16 of all of the items the manufacturer is required to repurchase under
17 subsection D of this section at the expense of the manufacturer.

18 F. As used in this section, "good cause" includes, but is not
19 limited to, any of the following:

20 1. A conviction of a felony or a plea of guilty or nolo
21 contendere to a felony by a dealer or an owner of a dealership of a
22 crime that was committed during the time frame of the current dealer
23 agreement; provided, there is full disclosure, in writing, of any
24 felony conviction or plea of guilty or nolo contendere to any such

1 felony crime that occurred within ten (10) years of entering into
2 ~~such~~ the dealer agreement;

3 2. Abandonment or permanent closing of the business operations
4 of a dealer for twenty-one (21) consecutive business days without
5 contacting the manufacturer prior to the closing unless the closing
6 is due to an act of God, strike, labor difficulty, or other cause
7 over which the dealer has no control;

8 3. A material misrepresentation to a manufacturer by a dealer
9 that severely affects the business relationship between the dealer
10 and the manufacturer;

11 4. Suspension or revocation of the license of a dealer or
12 refusal to renew the license of the dealer by the ~~OMVC~~ Oklahoma New
13 Motor Vehicle Commission;

14 5. A material violation of any of the provisions of the
15 Recreational Vehicle Franchise Act by a dealer; or

16 6. The dealer becomes insolvent, is bankrupt, or makes an
17 assignment for the benefit of creditors.

18 SECTION 25. AMENDATORY 47 O.S. 2021, Section 596.7, is
19 amended to read as follows:

20 Section 596.7. The ~~OMVC may~~ Oklahoma New Motor Vehicle
21 Commission shall not prohibit a dealer from selling the remaining in
22 stock inventory of a particular line-make after a dealer agreement
23 has been terminated or not renewed pursuant to the provisions of
24 ~~Section 7 or 8 of this act~~ Sections 596.5 and 596.6 of this title.

1 If recreational vehicles of a line-make are not returned or required
2 to be returned to the manufacturer, the dealer may continue to sell
3 all line-makes that were subject to the dealer agreement and are
4 currently in stock until those line-makes are no longer in the
5 dealer inventory.

6 SECTION 26. AMENDATORY 47 O.S. 2021, Section 596.8, is
7 amended to read as follows:

8 Section 596.8. A. All of the following conditions shall apply
9 to a proposed sale of the business assets, transfer of the stock, or
10 other transaction that will result in a change of ownership of a
11 dealer, except a transaction described in subsection B of this
12 section:

13 1. The dealer shall provide written notice to the manufacturer
14 at least ninety (90) days prior to the proposed closing of the
15 transaction;

16 2. If the dealer is not in breach of the dealer agreement or in
17 violation of the provisions of ~~this act~~ the Recreational Vehicle
18 Franchise Act at the time the dealer provides the notice described
19 in paragraph 1 of this subsection, the manufacturer shall not object
20 to the proposed transaction, unless the prospective transferee meets
21 one or more of the following:

22 a. the prospective transferee was previously a party to a
23 dealer agreement with the manufacturer that the
24 manufacturer terminated,

- 1 b. in the preceding ten (10) years, the prospective
2 transferee was convicted of a felony crime or any
3 crime of fraud, deceit, or moral turpitude,
4 c. the prospective transferee does not have an
5 application for a recreational vehicle dealer license
6 pending with the ~~OMVC~~ Oklahoma New Motor Vehicle
7 Commission or a tentative dealer agreement with a
8 recreational vehicle manufacturer to conduct business
9 as a dealer in this state,
10 d. the prospective transferee does not have an active
11 line of credit sufficient to purchase recreational
12 vehicles from the manufacturer according to the terms
13 of the dealer agreement, or
14 e. in the preceding ten (10) years, the prospective
15 transferee was bankrupt or insolvent, made a general
16 assignment for the benefit of creditors, or a
17 receiver, trustee, or conservator was appointed to
18 take possession of the business or property of the
19 prospective transferee;

20 3. If the manufacturer objects to the proposed transaction, the
21 manufacturer shall give written notice of an objection, including
22 the reasons by the manufacturer for objecting, to the dealer within
23 thirty (30) days after receiving the notice described in paragraph 1
24 of this subsection. If the manufacturer does not give notice of an

1 objection within the thirty-day time period, the proposed
2 transaction shall be considered approved by the manufacturer; and

3 4. For purposes of paragraph 3 of this subsection, the
4 manufacturer has the burden of demonstrating why the manufacturer
5 objects to the proposed transaction.

6 B. All of the following conditions apply concerning the death,
7 incapacity, or retirement of the designated principal of a dealer:

8 1. The manufacturer shall provide the dealer an opportunity to
9 designate, in writing, a family member as a successor to the dealer
10 in the event of the death, incapacity, or retirement of the
11 designated principal;

12 2. The manufacturer shall not prevent or refuse to honor the
13 succession to a dealership by a family member of the deceased,
14 incapacitated, or retired designated principal of that dealer unless
15 the manufacturer previously provided written notice to the dealer of
16 any objections to the succession plan of the dealer within thirty
17 (30) days after receiving the succession plan of the dealer or any
18 modification of the succession plan of the dealer;

19 3. Except as provided in paragraph 5 of this subsection, unless
20 the dealer is in breach of the dealer agreement, a manufacturer
21 shall not object to the succession to a dealership by a family
22 member of the deceased, incapacitated, or retired designated
23 principal, unless the successor meets one or more of the following:

24

- a. in the preceding ten (10) years, the successor was convicted of a felony crime or any crime of fraud, deceit, or moral turpitude,
- b. in the preceding ten (10) years, the successor was bankrupt, insolvent, or made an assignment for the benefit of creditors,
- c. the successor was previously a party to a dealer agreement with the manufacturer that the manufacturer terminated for a breach of a dealer agreement,
- d. the successor does not have an active line of credit sufficient to purchase recreational vehicles from the manufacturer according to the terms of the dealer agreement, or
- e. the successor does not have an application for a recreational vehicle dealer license pending with the ~~OMVC~~ Commission or a tentative dealer agreement with a recreational vehicle manufacturer to conduct business as a dealer in this state;

4. The manufacturer has the burden of proof regarding any objection to the succession to a dealership by a family member of the deceased, incapacitated, or retired designated principal; and

5. The consent of the manufacturer shall be required for the succession to a dealership by a family member of the deceased, incapacitated, or retired designated principal if the succession

1 involves a relocation of the business or an alteration of the terms
2 and conditions of the dealer agreement.

3 SECTION 27. AMENDATORY 47 O.S. 2021, Section 596.14, is
4 amended to read as follows:

5 Section 596.14. The Oklahoma New Motor Vehicle Commission may
6 deny an application for a license, revoke or suspend a license,
7 impose a fine against a manufacturer or distributor in an amount not
8 to exceed Ten Thousand Dollars (\$10,000.00) per occurrence, or
9 impose a fine against a dealer in an amount not to exceed One
10 Thousand Dollars (\$1,000.00) per occurrence if any provision of the
11 Recreational Vehicle Franchise Act is violated or for any of the
12 following reasons:

13 1. On satisfactory proof of unfitness of the applicant in any
14 application for any license under the provisions of the Recreational
15 Vehicle Franchise Act;

16 2. For any material misstatement made by an applicant in any
17 application for any license under the provisions of the Recreational
18 Vehicle Franchise Act;

19 3. For any failure to comply with any provision of the
20 Recreational Vehicle Franchise Act or any rule promulgated by the
21 Commission under authority vested ~~to the OMVC~~ pursuant to the
22 Recreational Vehicle Franchise Act;

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

1 5. Being a new recreational vehicle dealer who:

- 2 a. has required a purchaser of a new recreational
3 vehicle, as a condition of sale and delivery thereof,
4 to also purchase special features, appliances,
5 accessories, or equipment not desired or requested by
6 the purchaser and installed by the dealer,
- 7 b. uses any false or misleading advertising in connection
8 with business as a new recreational vehicle dealer or
9 vehicle salesperson,
- 10 c. has committed any unlawful act which resulted in the
11 revocation of any similar license in another state,
- 12 d. has failed or refused to perform any written agreement
13 with any retail buyer involving the sale of a
14 recreational vehicle,
- 15 e. has been convicted of a crime involving moral
16 turpitude,
- 17 f. has committed a fraudulent act in selling, purchasing,
18 or otherwise dealing in new recreational vehicles or
19 has misrepresented the terms and conditions of a sale,
20 purchase, or contract for sale or purchase of a new
21 recreational vehicle or any interest therein including
22 an option to purchase such vehicle,
- 23
- 24

1 g. has failed to meet or maintain the conditions and
2 requirements necessary to qualify for the issuance of
3 a license, or

4 h. has employed an unregistered new recreational vehicle
5 salesperson;

6 6. Being a new recreational vehicle dealer who:

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

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

17 c. does not hold a dealer agreement in effect with a
18 manufacturer or distributor of new or unused
19 recreational vehicles for the sale of the same and is
20 not authorized by the manufacturer or distributor to
21 render predelivery preparation of such vehicles sold
22 to purchasers and perform authorized postsale work
23 pursuant to the warranty of the manufacturer or
24 distributor, or

1 d. employs unregistered salespersons or employs or
2 utilizes the services of used recreational vehicle
3 lots, dealers, or other unregistered persons in
4 connection with the sale of new recreational vehicles;

5 7. Being a factory that has:

6 a. induced or attempted to induce by means of coercion or
7 intimidation any new recreational vehicle dealer:

8 (1) to accept delivery of any recreational vehicle or
9 vehicles, parts, or accessories for recreational
10 vehicles, or any other commodities including
11 advertising material which shall not have been
12 ordered by the new recreational vehicle dealer,

13 (2) to order or accept delivery of any recreational
14 vehicle with special features, appliances,
15 accessories, or equipment not included in the
16 list price of the recreational vehicles as
17 publicly advertised by the manufacturer of the
18 recreational vehicle, or

19 (3) to order or accept delivery of any parts,
20 accessories, equipment, machinery, tools,
21 appliances, or any commodity whatsoever,

22 b. induced under threat or discrimination by the
23 withholding from delivery to a recreational vehicle
24 dealer certain models of recreational vehicles,

1 changing or amending unilaterally the allotment of
2 recreational vehicles of a dealer or withholding and
3 delaying delivery of such vehicles out of the ordinary
4 course of business, in order to induce a dealer by
5 such coercion to participate or contribute to any
6 local or national advertising fund controlled directly
7 or indirectly by the factory or for any other purposes
8 including contests, giveaways, other sales promotional
9 devices, or change of quotas in any sales contest, or
10 c. required recreational vehicle dealers, as a condition
11 of receiving the vehicle allotment of the dealer, to
12 order a certain percentage of the recreational
13 vehicles with optional equipment not specified by the
14 new recreational vehicle dealer; however, nothing in
15 this paragraph shall prohibit a factory from
16 supporting an advertising association which is open to
17 all dealers on the same basis; or

18 8. Has employed unlicensed factory representatives.

19 The Commission may deny any application for license, or suspend
20 or revoke a license issued, or impose a fine, only after a hearing
21 for which the applicant or licensee affected shall be given at least
22 ten (10) days' written notice specifying the reason for denying the
23 applicant a license, or, in the case of a revocation or suspension
24 or imposition of a fine, the offense which the licensee is alleged

1 to have committed. The notice may be served as provided by law for
2 the service of notices or mailing a copy by registered mail to the
3 last-known residence or business address of the applicant or
4 licensee. The hearing on alleged violations shall be at such time
5 and place as the Commission may prescribe and the aforementioned
6 notice shall further specify the time and place. If the applicant
7 or licensee is a motor vehicle salesperson, factory representative,
8 or distributor representative, the Commission shall in like manner
9 additionally notify the person, firm, association, corporation, or
10 trust with whom he or she is associated, or in whose association he
11 or she is about to enter. The Commission shall have the power to
12 compel the production of all records, papers, and other documents
13 which may be deemed relevant to the proceeding bearing upon the
14 complaints. The Commission shall have the power to subpoena and
15 bring before it any person, or take testimony of any person by
16 deposition, with the same fees and mileage and in the same manner as
17 prescribed in the proceedings before courts of the state in civil
18 cases. Any party to the hearing shall have the right to the
19 attendance of witnesses on his or her behalf upon designating to the
20 Commission the person or persons sought to be subpoenaed.

21 SECTION 28. AMENDATORY 47 O.S. 2021, Section 596.15, is
22 amended to read as follows:

23 Section 596.15. A. A dealer, manufacturer, or warrantor
24 injured by another party who has violated a provision of ~~this act~~

1 the Recreational Vehicle Franchise Act may bring a civil action in
2 court for the recovery of actual damages. The court shall award
3 attorney fees and costs to the prevailing party in a civil action
4 under this section.

5 B. Venue for a civil action filed pursuant to this section
6 shall be the county in which the business of the dealer is located.
7 In an action involving more than one dealer, any county in which the
8 business of any dealer that is party to the action is located is a
9 proper venue for that action.

10 C. Before bringing a civil action under this section, the party
11 bringing suit for an alleged violation of ~~this act~~ the Recreational
12 Vehicle Franchise Act shall serve a written demand for mediation on
13 the offending party. The demand for mediation shall include a brief
14 statement of the dispute and the relief sought by the party making
15 the demand. The party making the demand for mediation shall serve
16 the demand by certified mail to one of the following addresses:

17 1. In an action between a dealer and a manufacturer, the
18 address stated in the dealer agreement between the parties;

19 2. In an action between a dealer and a warrantor that is not a
20 manufacturer, the address stated in any agreement between the
21 parties; or

22 3. In an action between two dealers, the address of the
23 offending dealer in the records of the ~~OMVC~~ Oklahoma New Motor
24 Vehicle Commission.

1 D. Within twenty (20) days after a demand for mediation is
2 served under subsection C of this section, the parties shall
3 mutually select an independent mediator who is approved by the ~~OMVC~~
4 Oklahoma New Motor Vehicle Commission, and meet with that mediator
5 for the purpose of attempting to resolve the dispute at a location
6 in this state selected by the mediator. The mediator may extend the
7 date of the meeting for good cause shown by either party or if the
8 parties agree to the extension.

9 E. The service of a demand for mediation under subsection C of
10 this section tolls the time for the filing of any complaint,
11 petition, protest, or other action under ~~this act~~ the Recreational
12 Vehicle Franchise Act until representatives of both parties have met
13 with the mediator selected pursuant to subsection D of this section
14 for the purpose of attempting to resolve the dispute. If a
15 complaint, petition, protest, or other action is filed before that
16 meeting, the court shall enter an order suspending the proceeding or
17 action until the mediation meeting has occurred and may, if all of
18 the parties to the proceeding or action stipulate in writing that
19 they wish to continue to mediate under this section, enter an order
20 suspending the proceeding or action for as long a period as the
21 court considers appropriate. The court may modify, extend, or
22 revoke a suspension order issued under this subsection if it
23 considers that action appropriate.

24

1 F. Each of the parties to the mediation under this section is
2 responsible for its own attorney fees. The parties shall equally
3 divide the cost of the mediator.

4 SECTION 29. AMENDATORY 47 O.S. 2021, Section 596.16, is
5 amended to read as follows:

6 Section 596.16. A. In addition to any remedy available under
7 the provisions of ~~this act~~ the Recreational Vehicle Franchise Act or
8 otherwise available by law, a manufacturer, warrantor, or dealer may
9 apply to the court for the grant, after a hearing and for cause
10 shown, of a temporary or permanent injunction or other equitable
11 relief restraining any person from doing any of the following:

12 1. Acting as a dealer without a proper license;

13 2. Violating or continuing to violate the provisions of ~~this~~
14 ~~act~~ the Recreational Vehicle Franchise Act. A single violation of
15 the provisions of ~~this act~~ the Recreational Vehicle Franchise Act
16 shall be a sufficient basis for the court to grant equitable relief
17 under this section; or

18 3. Failing or refusing to comply with any requirement of the
19 provisions of ~~this act~~ the Recreational Vehicle Franchise Act.

20 B. The court ~~may~~ shall not require a bond as a condition to the
21 grant of equitable relief under this section.

22 C. If, on January 1, 2011, a dealership does not meet the
23 requirements of the definition of established place of business as
24 defined in Section ~~3 of this act~~ 596.1 of this title, the dealership

1 shall be eligible for licensing by the ~~OMVC~~ Oklahoma New Motor
2 Vehicle Commission for that location. If the dealership moves the
3 dealership to a new location, the new dealership shall comply with
4 the requirements of the definition of established place of business
5 as defined in Section ~~3 of this act~~ 596.1 of this title.

6 SECTION 30. AMENDATORY 47 O.S. 2021, Section 1116.1, is
7 amended to read as follows:

8 Section 1116.1. A license plate or decal bearing an expiration
9 date of four (4) months from the date of registration shall be
10 issued for a vehicle registered in the name of a manufacturer or
11 dealer of new motor vehicles. Such license plate or decal shall be
12 issued if the vehicle so registered is exempt from the vehicle
13 excise tax pursuant to the provisions of ~~subsection (k)~~ paragraph 12
14 of Section 2105 of Title 68 of the Oklahoma Statutes. It shall be
15 unlawful for any person other than a manufacturer, licensed dealer,
16 person contemplating purchase of the vehicle, or person holding a
17 valid salesman's license issued by the Oklahoma New Motor Vehicle
18 Commission to operate the vehicle after the expiration of the four-
19 month registration period.

20 SECTION 31. AMENDATORY 47 O.S. 2021, Section 1128, as
21 last amended by Section 142, Chapter 282, O.S.L. 2022 (47 O.S. Supp.
22 2022, Section 1128), is amended to read as follows:

23 Section 1128. A. Every person manufacturing or having a
24 contract to sell new vehicles in this state shall file a verified

1 application for a general distinctive number for all new vehicles
2 owned or controlled by the manufacturer or dealer; provided, Service
3 Oklahoma shall issue a license to sell such new motor vehicles only
4 for those types of new vehicles for which the applicant has a sales
5 contract or franchise; provided, further, that no license shall be
6 issued to any applicant that has not complied with the provisions of
7 Sections 561 through ~~568~~ 567 of this title and does not hold a
8 current license issued by the Oklahoma New Motor Vehicle Commission
9 pursuant thereto. A separate manufacturer's or dealer's license
10 shall be required for each separate county within which such
11 manufacturer or dealer has an established place of business and upon
12 payment of a license fee of Ten Dollars (\$10.00) there shall be
13 assigned and issued to such manufacturer or dealer a ~~Certificate~~
14 certificate of Registration ~~registration~~ and one license plate which
15 shall be displayed upon each vehicle of such manufacturer or dealer
16 when same is operated, driven, or displayed on any street, road, or
17 highway, in the same manner as ~~hereinbefore~~ provided for vehicles
18 owned by other persons. Such a manufacturer or dealer in new
19 vehicles may obtain as many additional license plates as may be
20 desired, upon the payment of the sum of Ten Dollars (\$10.00) for
21 each additional plate; provided that no such license plate issued to
22 any manufacturer or dealer shall be used or displayed upon any
23 secondhand or used vehicle, or upon any new vehicle which is used
24 for a service car, or private use, or for hire. Any person, with

1 consent of the dealer, may operate a motor vehicle, with the
2 dealer's tag affixed, while contemplating purchase, so long as this
3 intent is limited to a consecutive seventy-two-hour period, or a
4 weekend. An individual holding a valid salesman's license issued by
5 the Oklahoma New Motor Vehicle Commission shall not be subject to
6 this limitation. If such person also buys and sells used vehicles,
7 he or she shall, after obtaining his or her new motor vehicle
8 dealer's license from the Oklahoma New Motor Vehicle Commission,
9 also obtain a used motor vehicle dealer's license, from the Oklahoma
10 Used Motor Vehicle ~~and Parts~~, Dismantler, and Manufactured Housing
11 Commission, the cost of which shall be as prescribed in Section 1101
12 et seq. of this title.

13 B. Each dealer and used motor vehicle dealer shall keep a
14 record of the purchase and sale of each motor vehicle he or she buys
15 or sells, which shall show the name of the seller or buyer as the
16 case may be, and a complete description of the vehicle purchased or
17 sold, and such other information as Service Oklahoma may prescribe.

18 C. Application for manufacturer's or dealer's license must show
19 that such dealer or manufacturer has not violated any of the
20 provisions of this section; and such license shall be nonassignable;
21 and any such license may be suspended temporarily or revoked by
22 Service Oklahoma for violation or failure to comply with this
23 section; provided, the holder of such license shall be given ten
24 (10) days' notice of hearing to suspend or cancel such license. If

1 any such person subject to any of the licenses required in this
2 section fails to obtain it when due, a penalty of twenty-five cents
3 (\$0.25) per day on each such license shall be charged in the same
4 manner as is now provided on delinquent motor vehicle registrations,
5 and after a period of thirty (30) days such penalty shall be equal
6 to the license fee. It shall be the duty of every person licensed
7 to sell new or used motor vehicles to advise each purchaser in
8 writing about his or her title requirements and payment of any taxes
9 due. Each used motor vehicle must display a proper Oklahoma license
10 plate or a used dealer's license plate.

11 D. Every person engaged in the business of transporting and
12 delivering new or used vehicles by driving, either singly or by
13 towbar, ~~saddle-mount~~ saddle-mount, or ~~full-mount~~ full-mount method,
14 engaging in drive-away operations as defined in Section ~~3~~ 2 of Title
15 ~~85~~ 85A of the Oklahoma Statutes, or any combination thereof, from
16 the manufacturer or shipper to the dealer or consignee and using the
17 public highways of this state shall file with Service Oklahoma a
18 verified application for in-transit license plates to identify such
19 vehicles. The application shall provide for a general distinctive
20 number for all vehicles so transported. Upon payment of a license
21 fee of Ten Dollars (\$10.00) there shall be assigned and issued to
22 such person one in-transit plate. Such in-transit plate shall be
23 used by such person only on vehicles when so transported. Such
24 person may obtain as many additional in-transit plates as desired

1 upon payment of a fee of Ten Dollars (\$10.00) for each additional
2 plate. Provided, a used motor vehicle dealer shall use a used
3 dealer license plate in lieu of the in-transit license plate for
4 transporting a used motor vehicle and, in such cases, shall be
5 exempt from making application for an in-transit license plate.
6 Provided further, only a person who possesses a valid motor carrier
7 authority issued by the Federal Motor Carrier Safety Administration,
8 or a valid for-hire authority issued by the Corporation Commission
9 may use the in-transit license plates obtained by ~~them~~ such person
10 as herein authorized for transporting new or used manufactured homes
11 from one location to another location within Oklahoma or from a
12 point in another state to a point in this state. Nothing contained
13 in this section shall relieve any person from the payment of license
14 fees otherwise provided by law. When Service Oklahoma deems it
15 advisable and in the public interest, it may require the holder of
16 any in-transit license, or any person making application therefor,
17 to file a proper surety bond in any amount it deems proper, not to
18 exceed Ten Thousand Dollars (\$10,000.00).

19 E. Service Oklahoma shall issue dealer licenses to new and used
20 manufactured home dealers, new and used travel trailer dealers, and
21 new and used commercial trailer dealers.

22 F. All licenses provided for in this section shall expire on
23 December 31 of each year.

24

1 SECTION 32. AMENDATORY 47 O.S. 2021, Section 1137.3, as
2 amended by Section 172, Chapter 282, O.S.L. 2022 (47 O.S. Supp.
3 2022, Section 1137.3), is amended to read as follows:

4 Section 1137.3. The purchaser of every new motor vehicle,
5 travel trailer, or commercial trailer shall register or license the
6 same within thirty (30) days from the date of purchase. It shall be
7 the responsibility of the selling dealer to place a temporary
8 license plate, in size similar to the permanent Oklahoma license
9 plate but of a weatherproof plastic-impregnated substance approved
10 by the Oklahoma New Motor Vehicle Commission, upon a new motor
11 vehicle, travel trailer, or commercial trailer when a transaction is
12 completed for the sale of ~~said~~ the vehicle or trailer. Except for
13 cab and chassis trucks, the temporary license plate under this
14 section shall be placed at the location provided for the permanent
15 motor vehicle license plate. The purchaser of a new cab and chassis
16 truck may place the temporary license plate under this section in
17 the rear window. ~~Said~~ The temporary license plate shall show the
18 dealer's license number which is issued to him or her each year by
19 Service Oklahoma, the date the new motor vehicle, travel trailer, or
20 commercial trailer was purchased, and the company name of the
21 selling dealer. The ~~Oklahoma Motor Vehicle~~ Commission is hereby
22 directed to develop a temporary license plate design to incorporate
23 these requirements in a manner that will permit law enforcement
24 personnel to readily identify the dealer license number and date of

1 the vehicle purchase. The ~~Motor Vehicle~~ Commission is further
2 authorized to develop additional requirements and parameters
3 designed to discourage or prevent illegal duplication and use of the
4 temporary license plate. On or before thirty (30) days from the
5 date of purchase of a new motor vehicle, travel trailer, or
6 commercial trailer, ~~said~~ the temporary license plate shall be
7 removed and replaced with a permanent, current Oklahoma license
8 plate. Use of ~~said~~ the temporary license plate by a licensed dealer
9 for other than the purpose of normally doing business shall
10 constitute grounds for revocation of the dealer's license.

11 It shall be unlawful for any licensed dealer of new motor
12 vehicles, travel trailers, or commercial trailers to procure the
13 registration and licensing of any new motor vehicle, travel trailer,
14 or commercial trailer sold by such licensed dealer or to act as the
15 agent for such purchaser in the procurement of ~~said~~ the registration
16 and licensing. The license of any licensed dealer of new motor
17 vehicles, travel trailers, or commercial trailers violating the
18 provisions of this section shall be revoked.

19 SECTION 33. AMENDATORY 21 O.S. 2021, Section 918, is
20 amended to read as follows:

21 Section 918. No person, firm, or corporation, whether owner,
22 proprietor, agent, or employee, shall keep open, operate, or assist
23 in keeping open or operating any place or premises or residences
24 whether open or closed, for the purpose of selling, bartering, or

1 exchanging, or offering for sale, barter, or exchange, any motor
2 vehicle or motor vehicles, whether new, used, or ~~second hand~~
3 secondhand, on the first day of the week, commonly called Sunday,
4 except as otherwise provided in this section; and provided, however,
5 that ~~this act~~ Sections 917 through 919 of this title shall not apply
6 to the opening of an establishment or place of business on the first
7 day of the week for other purposes, such as the sale of petroleum
8 products, tires, automobile accessories, or for the purpose of
9 operating and conducting a motor vehicle repair shop, or for the
10 purpose of supplying such services as towing or wrecking. Antique,
11 classic, or special interest automobiles sold, bartered, auctioned,
12 or exchanged by any person, firm, or corporation are exempt from the
13 provisions of this section, as well as ~~off-premise~~ off-premises
14 sales of new motorized recreational vehicles approved by the
15 Oklahoma New Motor Vehicle Commission pursuant to the provisions of
16 the Recreational Vehicle Franchise Act.

17 SECTION 34. AMENDATORY 62 O.S. 2021, Section 155, is
18 amended to read as follows:

19 Section 155. A. There is hereby created in the State Treasury
20 a revolving fund for each of the following state boards,
21 commissions, and departments:

- 22 1. The Board of Governors of the Licensed Architects, Landscape
23 Architects and Registered Commercial Interior Designers of Oklahoma;
- 24 2. Oklahoma Funeral Board;

- 1 3. Board of Podiatric Medical Examiners;
- 2 4. Board of Chiropractic Examiners;
- 3 5. ~~State Board of Registration for Foresters;~~
- 4 ~~6.~~ State Board of Medical Licensure and Supervision;
- 5 ~~7.~~ 6. Oklahoma Board of Nursing;
- 6 ~~8.~~ 7. State Board of Osteopathic Examiners;
- 7 ~~9.~~ 8. State Board of Pharmacy;
- 8 ~~10.~~ 9. State Board of Licensed Social Workers;
- 9 ~~11.~~ 10. Oklahoma New Motor Vehicle Commission;
- 10 ~~12.~~ ~~Oklahoma Peanut Commission;~~
- 11 ~~13.~~ 11. Oklahoma Real Estate Commission; and
- 12 ~~14.~~ 12. Santa Claus Commission.

13 B. Each revolving fund shall consist of all monies received by
14 the boards, commissions, and departments, pursuant to statutory
15 authority, but not including appropriated funds. These revolving
16 funds shall be continuing funds, not subject to fiscal year
17 limitations and shall be under the control and management of the
18 administrative authorities of the respective boards, commissions, or
19 departments.

20 C. Expenditures from the revolving funds shall be made pursuant
21 to the laws of the state and the statutes relating to ~~said~~ the
22 boards, commissions, and departments, and without legislative
23 appropriation. Warrants for expenditures from ~~said~~ the revolving
24 funds shall be drawn by the State Treasurer, based on claims signed

1 by an authorized employee or employees of the respective boards,
2 commissions, or departments and approved for payment by the Director
3 of the Office of Management and Enterprise Services.

4 SECTION 35. AMENDATORY Rule 2.45 of the Rules of the
5 Ethics Commission, as amended by Section 25, Chapter 107, O.S.L.
6 2022 (74 O.S. Supp. 2022, Ch. 62, App. I), is amended to read as
7 follows:

8 Rule 2.45. Calculation of Travel Expenditures. Expenditures
9 for travel shall be calculated as provided in this section.

10 (A) Expenditures may be made for all expenses associated with
11 the purchase or lease and operation of a motor vehicle only if the
12 motor vehicle is used exclusively for purposes of the campaign or
13 for ordinary and necessary expenses incurred in connection with the
14 candidate's duties as the holder of a state elective office and for
15 no other purpose at any time. If campaign contributions are used
16 for the purchase or lease of a motor vehicle, the motor vehicle must
17 be purchased or leased from a dealer licensed by the Oklahoma New
18 Motor Vehicle Commission or the Oklahoma Used Motor Vehicle,
19 Dismantler, and Manufactured Housing Commission, or their successor
20 agencies, on commercially reasonable terms and cannot be purchased
21 from the committee by the candidate or a family member of the
22 candidate.

23 (B) If a motor vehicle is used both for the purposes identified
24 in subsection (A) and for any other purpose, expenditures may be

1 made only for mileage reimbursement at the rate authorized for use
2 of privately owned motor vehicles by the State Travel Reimbursement
3 Act or its successor statutes, or less.

4 (C) Expenditures for the rental of a motor vehicle or for the
5 fares of taxicabs, buses or similar modes of transportation shall be
6 permitted for the actual cost of the rental or fare, provided that
7 the rental or fare is at the rate normally charged for others.

8 (D) Expenditures for air travel on an air carrier shall be
9 permitted for the actual cost of the fare; provided, if air travel
10 is first class, business class or equivalent class, the expenditure
11 shall be permitted only for any lower fare available on the same
12 flight.

13 (E) Expenditures for air travel on an aircraft operated by a
14 commercial carrier shall be permitted for the usual charter fare or
15 rental charge.

16 (F) Expenditures for air travel on an aircraft operated by a
17 private individual shall be permitted for the usual charter fare or
18 rental charge of a commercial carrier.

19 (G) Expenditures for air travel on an aircraft operated by the
20 candidate or a family member of the candidate shall be contributions
21 by the candidate to the campaign and shall be calculated on the same
22 basis as the usual charter fare or rental charge of a commercial
23 carrier, unless the aircraft is rented, in which case the
24 contribution shall be the cost of the rental.

1 SECTION 36. AMENDATORY 74 O.S. 2021, Section 3601.1, as
2 amended by Section 24, Chapter 107, O.S.L. 2022 (74 O.S. Supp. 2022,
3 Section 3601.1), is amended to read as follows:

4 Section 3601.1. A. For purposes of Sections 3601.1 through
5 3603 of this title, the term "employee" means a full-time employee
6 or any number of part-time employees whose combined weekly hours of
7 employment equal those of a full-time employee, but shall not
8 include temporary employees working on a seasonal basis between May
9 1 and October 31.

10 B. Beginning July 1, 2008, the maximum number of full-time-
11 equivalent employees for each of the following agencies, boards,
12 commissions, departments, or programs shall not exceed the numbers
13 specified in this section, except as may be authorized pursuant to
14 the provisions of Section 3603 of this title.

	MAXIMUM NUMBER OF FULL-TIME-EQUIVALENT EMPLOYEES
Oklahoma Employment Security Commission	1150
Oklahoma Accountancy Board	11
Board of Governors of the Licensed Architects, Landscape Architects and Registered <u>Commercial</u> Interior Designers of Oklahoma	4
Board of Chiropractic Examiners	3
State Board of Cosmetology and Barbering	16

1	Board of Dentistry	10
2	Oklahoma State Board of Embalmers and Funeral	
3	Directors <u>Board</u>	5
4	State Board of Licensure for Professional	
5	Engineers and Land Surveyors	10
6	State Board of Medical Licensure and Supervision/	
7	Board of Podiatric Medical Examiners/State	
8	Board of Examiners of Perfusionists	29
9	Oklahoma Energy Resources Board	5
10	Oklahoma <u>New</u> Motor Vehicle Commission	6
11	Oklahoma Board of Nursing	35
12	Oklahoma State Board of Examiners for Long-Term	
13	Care Administrators	4
14	Board of Examiners in Optometry	3
15	State Board of Osteopathic Examiners	7
16	Oklahoma State Board of Pharmacy	15
17	State Board of Examiners of Psychologists	2
18	Oklahoma Real Estate Commission	26
19	Board of Examiners for Speech-Language Pathology	
20	and Audiology	2
21	Oklahoma Used Motor Vehicle, Dismantler, and	
22	Manufactured Housing Commission	15
23	State Board of Veterinary Medical Examiners	6
24		

1	Oklahoma Firefighters Pension and Retirement	
2	System	13
3	Oklahoma Police Pension and Retirement System	12
4	Teachers' Retirement System of Oklahoma	52
5	Oklahoma Public Employees Retirement System	63
6	Oklahoma Student Loan Authority	85
7	Oklahoma Industrial Finance Authority/Oklahoma	
8	Development Finance Authority	10
9	State and Education Employees Group Insurance	
10	Board	178
11	Oklahoma Capital Investment Board	4
12	State Board of Licensed Social Workers	1
13	Oklahoma State Employees Benefits Council	38
14	Oklahoma State Banking Department	46
15	Liquefied Petroleum Gas Administration	10

16 C. The duties and compensation of employees, not otherwise
17 prescribed by law, necessary to perform the duties imposed upon the
18 Oklahoma Public Employees Retirement System Board of Trustees by law
19 shall be set by the Board of Trustees.

20 D. Temporary employees of the Oklahoma Used Motor Vehicle,
21 Dismantler, and Manufactured Housing Commission between the dates of
22 November 1 and January 31 annually shall not be counted toward the
23 maximum number of full-time-equivalent employees provided for in
24 this section.

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SECTION 37. This act shall become effective November 1, 2023.
Passed the Senate the 22nd day of March, 2023.

Presiding Officer of the Senate

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

Presiding Officer of the House
of Representatives