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April 24, 2025

COMMITTEE SUBSTITUTE  
FOR ENGROSSED  
HOUSE BILL NO. 1789

By: Kerbs of the House

and

Frix of the Senate

An Act relating to motor vehicles; amending 47 O.S. 2021, Section 596.3, as amended by Section 23, Chapter 29, O.S.L. 2023 (47 O.S. Supp. 2024, Section 596.3), which relates to dealer sales responsibility; disallowing certain activity at private off-premises sales events outside certain area; authorizing certain sales at certain events under certain conditions; detailing conditions for sales activity or display at certain events; authorizing certain activities at certain private events under certain conditions; detailing conditions for certain activities; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 596.3, as amended by Section 23, Chapter 29, O.S.L. 2023 (47 O.S. Supp. 2024, Section 596.3), is amended to read as follows:

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

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

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

6        3. The area of sales responsibility may not be reviewed or  
7 changed without the consent of both parties until one (1) year after  
8 the execution of the dealer agreement; and

9        4. The areas within municipal, county, or state-owned or -  
10 controlled facilities or within the grounds of any county, district,  
11 or state fair shall be exempt from manufacturer-designated areas of  
12 sales responsibility, only for the purposes of sponsored off-  
13 premises sales events.

14        B. A dealer promoting its own private off-premises sales event,  
15 wherein that dealer is the sole participating dealer, shall not  
16 conduct sales activity or display for sale recreational vehicles  
17 outside of its ~~designated~~ manufacturer-designated area of sales  
18 responsibility.

19        C. A dealer participating in a sponsored off-premises sales  
20 event with other participating dealers may ~~sell off-premises within~~  
21 conduct sales activity or display for sale recreational vehicles  
22 inside or outside the area of sales responsibility of the dealer  
23 ~~under the following circumstances:.~~  
24

1        1. ~~At sanctioned recreational vehicle shows where the sales~~  
2 ~~event is held off premises and at least sixty seven percent (67%) of~~  
3 ~~the recreational vehicle dealers that are located within a sixty~~  
4 ~~mile radius of the location of the show participate in the show. A~~  
5 ~~sanctioned~~ A sponsored recreational vehicle show may be held only  
6 under the following conditions:

7            a. the sponsoring entity of the sales event shall obtain  
8                a permit from the Oklahoma New Motor Vehicle  
9                Commission at the rate of Two Hundred Dollars  
10               (\$200.00) per event. The permit shall be for a period  
11               not to exceed ten (10) consecutive days,

12           b. dealer permits for a ~~sanctioned~~ sponsored recreational  
13               vehicle show described in this paragraph shall be  
14               obtained from the Commission at a rate of Fifteen  
15               Dollars (\$15.00) for each ~~motor home per sanctioned~~  
16               recreational vehicle at the show,

17           c. ~~new recreational vehicle dealers whose manufacturer-~~  
18               ~~approved area of responsibility includes the event~~  
19               ~~location shall be eligible to participate in the~~  
20               ~~sanctioned recreational vehicle show~~ a dealer  
21               participating in a sponsored off-premises sales show  
22               shall not be denied a permit on the grounds that the  
23               promotion is to be held within the relevant market  
24               area of another dealer of the same-line make,

1 d. new recreational vehicle dealers shall obtain written  
2 approval from the manufacturer or distributor to  
3 participate in the ~~sanctioned~~ sponsored recreational  
4 vehicle show, and

5 e. the ~~sanctioned~~ sponsored recreational vehicle show  
6 shall be conducted within municipal, county, or state-  
7 owned or ~~controlled~~ -controlled facilities or within  
8 the grounds of any county, district, or state fair,  
9 ~~and.~~

10 2. ~~At nonsanctioned~~ A private recreational vehicle ~~shows~~ show  
11 where only one ~~or more dealers~~ dealer may sell recreational vehicles  
12 off-premises may be held under the following conditions:

13 a. dealer permits for a ~~nonsanctioned~~ private  
14 recreational vehicle show described in this paragraph  
15 shall be obtained from the Commission at a rate of  
16 Fifteen Dollars (\$15.00) for each recreational vehicle  
17 ~~per nonsanctioned recreational vehicle~~ at the show,

18 b. the location of the ~~nonsanctioned~~ private recreational  
19 vehicle show shall be within the manufacturer-approved  
20 area of responsibility,

21 c. the ~~nonsanctioned~~ private recreational vehicle show  
22 shall occur no more than five (5) consecutive days per  
23 event, excluding county, district, or state fairs,  
24

- 1           d.   each dealer may participate in no more than eight  
2           ~~nonsanctioned~~ private recreational vehicle shows per  
3           calendar year, ~~and~~
- 4           e.   ~~nonsanctioned~~ private recreational vehicle shows ~~shall~~  
5           ~~be,~~ if held on privately owned property, shall be no  
6           closer than two and one-half (2 1/2) miles to any  
7           other ~~nonparticipating~~ recreational vehicle dealer;  
8           provided, however, a ~~nonsanctioned~~ private  
9           recreational vehicle show may be held on county or  
10          municipally owned property with no mileage barrier  
11          restriction,
- 12          f.   a dealer shall obtain written approval from the  
13          manufacturer or distributor to participate in a  
14          private recreational vehicle show, and
- 15          g.   the sponsoring entity of the private sales event must  
16          provide written permission for the dealer to conduct  
17          the event on the sponsor's property.

18          D.   A dealer may display a recreational vehicle within the  
19          designated area of responsibility of the dealer for promotional  
20          purposes. At an off-premises display event, no sales activities  
21          shall be conducted including, but not limited to, negotiations,  
22          financing, and accepting credit applications. Sales or finance  
23          personnel shall not be permitted to participate at an off-premises  
24

1 display event. A permit for the off-premises display event shall  
2 not be required.

3 E. A dealer agreement shall include a designated principal of  
4 the dealer. A dealer agreement may identify a family member as the  
5 successor of the principal or include a succession plan of the  
6 dealer. A dealer may at any time change a designation or succession  
7 plan made in the dealer agreement by providing written notice to the  
8 manufacturer.

9 SECTION 2. This act shall become effective November 1, 2025.

10 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS AND INSURANCE  
11 April 24, 2025 - DO PASS AS AMENDED BY CS  
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