

An Act

ENROLLED HOUSE
BILL NO. 1149

By: Osburn of the House

and

Rogers of the Senate

An Act relating to motor vehicles; amending Section 7, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 564.2), which relates to certificates of registration for new motor vehicle salespersons; requiring any administrative fines to be paid by the employing entity; amending 47 O.S. 2011, Section 565, as last amended by Section 2, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 565), which relates to Oklahoma Motor Vehicle Commission licensing; requiring certain employees to have certificates of registration; amending 47 O.S. 2011, Section 583, as last amended by Section 2 of Enrolled House Bill No. 1153 of the 1st Session of the 58th Oklahoma Legislature, which relates to used motor vehicle licensing; providing for registered persons to engage in certain activities; providing for temporary approval; amending Section 8, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 583.1), which relates to certificates of registration; allowing certain new vehicle salespeople to sell used vehicles; providing for registration fees and renewal; amending 47 O.S. 2011, Section 584, as last amended by Section 6, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 584), which relates to Oklahoma Used Motor Vehicle and Parts Commission licensing; allowing for the denial of application and imposition of fines for certain salespeople; amending 47 O.S. 2011, Section 596.2, which relates to new recreational vehicle dealer licenses; requiring new recreational vehicle salesperson registrations; amending 47 O.S. 2011, Section 596.14, which relates to denial of application for license; allowing for fines for

employment of unregistered salespersons; and providing an effective date.

SUBJECT: Motor vehicles

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

SECTION 1. AMENDATORY Section 7, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 564.2), is amended to read as follows:

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

SECTION 2. AMENDATORY 47 O.S. 2011, Section 565, as last amended by Section 2, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 565), is amended to read as follows:

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

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

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

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

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

5. Being a new motor vehicle dealer who:

- a. has required a purchaser of a new motor vehicle, as a condition of sale and delivery thereof, to also purchase special features, appliances, accessories or equipment not desired or requested by the purchaser and installed by the dealer,
- b. uses any false or misleading advertising in connection with business as a new motor vehicle dealer,
- c. has committed any unlawful act which resulted in the revocation of any similar license in another state,
- d. has failed or refused to perform any written agreement with any retail buyer involving the sale of a motor vehicle,
- e. has been convicted of a crime involving moral turpitude,
- f. has committed a fraudulent act in selling, purchasing or otherwise dealing in new motor vehicles or has misrepresented the terms and conditions of a sale, purchase or contract for sale or purchase of a new motor vehicle or any interest therein including an option to purchase such vehicle,
- g. has failed to meet or maintain the conditions and requirements necessary to qualify for the issuance of a license, or
- h. completes any sale or transaction of an extended service contract, extended maintenance plan, or similar product using contract forms that do not conspicuously disclose the identity of the service contract provider;

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

7. Being a new motor vehicle dealer who:

- a. does not have an established place of business,
- b. does not provide for a suitable repair shop separate from the display room with ample space to repair or recondition one or more vehicles at the same time, and which is equipped with such parts, tools and equipment as may be requisite for the servicing of motor vehicles in such a manner as to make them comply with the safety laws of this state and to properly fulfill the dealer's or manufacturer's warranty obligation,
- c. does not hold a franchise in effect with a manufacturer or distributor of new or unused motor vehicles for the sale of the same and is not authorized by the manufacturer or distributor to render predelivery preparation of such vehicles sold to purchasers and to perform any authorized post-sale work pursuant to the manufacturer's or distributor's warranty,
- d. employs a person without obtaining a certificate of registration for the person, or utilizes the services of used motor vehicle lots or dealers or other unlicensed persons in connection with the sale of new motor vehicles,
- e. does not properly service a new motor vehicle before delivery of same to the original purchaser thereof, or
- f. fails to order and stock a reasonable number of new motor vehicles necessary to meet customer demand for each of the new motor vehicles included in the new motor vehicle dealer's franchise agreement, unless the new motor vehicles are not readily available from the manufacturer or distributor due to limited production;

8. Being a factory that has:

- a. either induced or attempted to induce by means of coercion or intimidation, any new motor vehicle dealer:
 - (1) to accept delivery of any motor vehicle or vehicles, parts or accessories therefor, or any other commodities including advertising material which shall not have been ordered by the new motor vehicle dealer,
 - (2) to order or accept delivery of any motor vehicle with special features, appliances, accessories or equipment not included in the list price of the motor vehicles as publicly advertised by the manufacturer thereof, or
 - (3) to order or accept delivery of any parts, accessories, equipment, machinery, tools, appliances or any commodity whatsoever, or
- b. induced under threat or discrimination by the withholding from delivery to a motor vehicle dealer certain models of motor vehicles, changing or amending unilaterally the dealer's allotment of motor vehicles and/or withholding and delaying delivery of such vehicles out of the ordinary course of business, in order to induce by such coercion any such dealer to participate or contribute to any local or national advertising fund controlled directly or indirectly by the factory or for any other purposes such as contest, "give-aways" or other so-called sales promotional devices and/or change of quotas in any sales contest; or has required motor vehicle dealers, as a condition to receiving their vehicle allotment, to order a certain percentage of the vehicles with optional equipment not specified by the new motor vehicle dealer; however, nothing in this section shall prohibit a factory from supporting an advertising association which is open to all dealers on the same basis;

9. Being a factory that:

- a. has attempted to coerce or has coerced any new motor vehicle dealer to enter into any agreement or to

cancel any agreement, or fails to act in good faith and in a fair, equitable and nondiscriminatory manner; or has directly or indirectly coerced, intimidated, threatened or restrained any motor vehicle dealer; or has acted dishonestly, or has failed to act in accordance with the reasonable standards of fair dealing,

- b. has failed to compensate its dealers for the work and services they are required to perform in connection with the dealer's delivery and preparation obligations according to the agreements on file with the Commission which must be found by the Commission to be reasonable, or fail to adequately and fairly compensate its dealers for labor, parts and other expenses incurred by such dealer to perform under and comply with manufacturer's warranty agreements. Adequate and fair compensation for parts shall be established by the dealer submitting to the manufacturer or distributor one hundred sequential nonwarranty customer-paid service repair orders which contain warranty-like parts, or ninety (90) consecutive days of nonwarranty customer-paid service repair orders which contain warranty-like parts, whichever is less, covering repairs made no more than one hundred eighty (180) days before the submission and declaring the average percentage markup. Adequate and fair compensation for labor shall be established by the dealer submitting to the manufacturer or distributor one hundred sequential customer-paid service repair orders which contain labor charges, or ninety (90) consecutive days of customer-paid service repair orders which contain labor charges, whichever is less. When submitting repair orders to calculate a labor rate, a dealer need not include repair orders for routine maintenance. A manufacturer or distributor may, not later than thirty (30) days after submission, rebut that declared rate in writing by reasonably substantiating that the rate is inaccurate or unreasonable in light of the practices of all other franchised motor vehicle dealers in an economically similar part of the state offering the same line-make vehicles. The retail rate shall go into effect thirty (30) days following the approval by the manufacturer, subject to audit of the submitted repair orders by the

franchisor and a rebuttal of the declared rate as described above. If the declared rate is rebutted, the manufacturer or distributor shall propose an adjustment in writing of the average percentage markup based on that rebuttal not later than thirty (30) days after submission. If the dealer does not agree with the proposed average percentage markup, the dealer may file a protest with the Commission not later than thirty (30) days after receipt of that proposal by the manufacturer or distributor. In the event a protest is filed, the manufacturer or distributor shall have the burden of proof to establish the new motor vehicle dealer's submitted rate was inaccurate or unreasonable in light of the practices of all other franchised motor vehicle dealers in an economically similar part of the state. A manufacturer or distributor may not retaliate against any new motor vehicle dealer seeking to exercise its rights under this provision. A manufacturer or distributor may require a dealer to submit repair orders in accordance with this section in order to validate a dealer's retail rate for parts or labor not more often than once every twelve (12) months. All claims made by dealers for compensation for delivery, preparation and warranty work shall be paid within thirty (30) days after approval and shall be approved or disapproved within thirty (30) days after receipt. When any claim is disapproved, the dealer shall be notified in writing of the grounds for disapproval. The dealer's delivery, preparation and warranty obligations as filed with the Commission shall constitute the dealer's sole responsibility for product liability as between the dealer and manufacturer. A factory may reasonably and periodically audit a new motor vehicle dealer to determine the validity of paid claims for dealer compensation or any charge-backs for warranty parts or service compensation. Except in cases of suspected fraud, audits of warranty payments shall only be for the one-year period immediately following the date of the payment. A manufacturer shall reserve the right to reasonable, periodic audits to determine the validity of paid claims for dealer compensation or any charge-backs for consumer or dealer incentives. Except in cases of suspected fraud, audits of incentive payments shall only be for a one-year period

immediately following the date of the payment. A factory shall not deny a claim or charge a new motor vehicle dealer back subsequent to the payment of the claim unless the factory can show that the claim was false or fraudulent or that the new motor vehicle dealer failed to reasonably substantiate the claim by the written reasonable procedures of the factory. The factory shall provide written notice to a dealer of a proposed charge-back that is the result of an audit along with the specific audit results and proposed charge-back amount. A dealer that receives notice of a proposed charge-back pursuant to a factory's audit has the right to file a protest with the Commission within thirty (30) days after receipt of the notice of the charge-back or audit results, whichever is later. The factory is prohibited from implementing the charge-back or debiting the dealer's account until either the time frame for filing a protest has passed or a final adjudication is rendered by the Commission, whichever is later, unless the dealer has agreed to the charge-back or charge-backs,

- c. unreasonably fails or refuses to offer to its same line-make franchised dealers all models manufactured for that line-make, or unreasonably requires a dealer to pay any extra fee, purchase unreasonable advertising displays or other materials, or remodel, renovate, or recondition the dealer's existing facilities as a prerequisite to receiving a model or series of vehicles. The failure to deliver any such new motor vehicle shall not be considered a violation of the section if the failure is not arbitrary or is due to lack of manufacturing capacity or to a strike or labor difficulty, a shortage of materials, a freight embargo or other cause over which the manufacturer has no control. However, this subparagraph shall not apply to recreational vehicles or limited production model vehicles,
- d. except as necessary to comply with a health or safety law, or to comply with a technology requirement which is necessary to sell or service a motor vehicle that the franchised motor vehicle dealer is authorized or licensed by the franchisor to sell or service, requires a new motor vehicle dealer to construct a new

facility or substantially renovate the new motor vehicle dealer's existing facility unless the facility construction or renovation is justified by the economic conditions existing at the time, as well as the reasonably foreseeable projections, in the automotive industry. However, this subparagraph shall not apply if the factory provides money, credit, allowance, reimbursement, or additional vehicle allocation to a dealer to compensate the dealer for the cost of, or a portion of the cost of, the facility construction or renovation,

- e. requires a new motor vehicle dealer to establish an exclusive facility, unless supported by reasonable business, market and economic considerations; provided, that this provision shall not restrict the terms of any agreement for such exclusive facility voluntarily entered into and supported by valuable consideration separate from the new motor vehicle dealer's right to sell and service motor vehicles for the franchisor,
- f. requires a new motor vehicle dealer to enter into a site-control agreement covering any or all of the new motor vehicle dealer's facilities or premises; provided, that this provision shall not restrict the terms of any site-control agreement voluntarily entered into and supported by valuable consideration separate from the new motor vehicle dealer's right to sell and service motor vehicles for the franchisor. Notwithstanding the foregoing or the terms of any site-control agreement, a site-control agreement automatically extinguishes if all of the factory's franchises that operated from the location that are the subject of the site-control agreement are terminated by the factory as part of the discontinuance of a product line, or
- g. requires a new motor vehicle dealer to purchase goods or services for the construction, renovation, or improvement of the dealer's facility from a vendor chosen by the factory if goods or services available from other sources are of substantially similar quality and design and comply with all applicable laws; provided, however, that such goods are not

subject to the factory's intellectual property or trademark rights and the new motor vehicle dealer has received the factory's approval, which approval may not be unreasonably withheld. Nothing in this subparagraph may be construed to allow a new motor vehicle dealer to impair or eliminate a factory's intellectual property, trademark rights or trade dress usage guidelines. Nothing in this section prohibits the enforcement of a voluntary agreement between the factory and the new motor vehicle dealer where separate and valuable consideration has been offered and accepted;

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

11. Being a factory that sells directly or indirectly new motor vehicles to any retail consumer in the state except through a new motor vehicle dealer holding a franchise for the line-make that includes the new motor vehicle. This paragraph does not apply to factory sales of new motor vehicles to its employees, family members of employees, retirees and family members of retirees, not-for-profit organizations or the federal, state or local governments. The provisions of this paragraph shall not preclude a factory from providing information to a consumer for the purpose of marketing or facilitating a sale of a new motor vehicle or from establishing a program to sell or offer to sell new motor vehicles through participating dealers;

12. a. Being a factory which directly or indirectly:

- (1) owns any ownership interest or has any financial interest in a new motor vehicle dealer or any person who sells products or services to the public,
- (2) operates or controls a new motor vehicle dealer, or
- (3) acts in the capacity of a new motor vehicle dealer.

- b. (1) This paragraph does not prohibit a factory from owning or controlling a new motor vehicle dealer while in a bona fide relationship with a dealer development candidate who has made a substantial initial investment in the franchise and whose initial investment is subject to potential loss. The dealer development candidate can reasonably expect to acquire full ownership of a new motor vehicle dealer within a reasonable period of time not to exceed ten (10) years and on reasonable terms and conditions. The ten-year acquisition period may be expanded for good cause shown.
- (2) This paragraph does not prohibit a factory from owning, operating, controlling or acting in the capacity of a motor vehicle dealer for a period not to exceed twelve (12) months during the transition from one dealer to another dealer if the dealership is for sale at a reasonable price and on reasonable terms and conditions to an independent qualified buyer. On showing by a factory of good cause, the Oklahoma Motor Vehicle Commission may extend the time limit set forth above; extensions may be granted for periods not to exceed twelve (12) months.
- (3) This paragraph does not prohibit a factory from owning, operating or controlling or acting in the capacity of a motor vehicle dealer which was in operation prior to January 1, 2000.
- (4) This paragraph does not prohibit a factory from owning, directly or indirectly, a minority interest in an entity that owns, operates or controls motor vehicle dealerships of the same line-make franchised by the manufacturer, provided that each of the following conditions are met:
- (a) all of the motor vehicle dealerships selling the motor vehicles of that manufacturer in this state trade exclusively in the line-make of that manufacturer,

- (b) all of the franchise agreements of the manufacturer confer rights on the dealer of the line-make to develop and operate, within a defined geographic territory or area, as many dealership facilities as the dealer and manufacturer shall agree are appropriate,
- (c) at the time the manufacturer first acquires an ownership interest or assumes operation, the distance between any dealership thus owned or operated and the nearest unaffiliated motor vehicle dealership trading in the same line-make is not less than seventy (70) miles,
- (d) during any period in which the manufacturer has such an ownership interest, the manufacturer has no more than three franchise agreements with new motor vehicle dealers licensed by the Oklahoma Motor Vehicle Commission to do business within the state, and
- (e) prior to January 1, 2000, the factory shall have furnished or made available to prospective motor vehicle dealers an offering-circular in accordance with the Trade Regulation Rule on Franchising of the Federal Trade Commission, and any guidelines and exemptions issued thereunder, which disclose the possibility that the factory may from time to time seek to own or acquire, directly or indirectly, ownership interests in retail dealerships;

13. Being a factory which directly or indirectly makes available for public disclosure any proprietary information provided to the factory by a new motor vehicle dealer, other than in composite form to dealers in the same line-make or in response to a subpoena or order of the Commission or a court. Proprietary information includes, but is not limited to, information ~~based on:~~

- a. ~~any information~~ derived from monthly financial statements provided to the factory, and

- b. ~~any information~~ regarding any aspect of the profitability of a particular new motor vehicle dealer;

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

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

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

- a. the facility and the proposed new location satisfies or meets the written reasonable guidelines of the factory. Reasonable guidelines do not include site control unless agreed to as set forth in subparagraphs e and f of paragraph 9 of this subsection,
- b. the proposed new location is within the area of responsibility of the new motor vehicle dealer pursuant to Section 578.1 of this title, and
- c. the factory has sixty (60) days from receipt of the new motor vehicle dealer's relocation request to approve or deny the request. The failure to approve or deny the request within the sixty-day time frame shall constitute approval of the request;

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

18. Being a factory that increases prices of new motor vehicles which the new motor vehicle dealer had ordered for retail consumers and notified the factory prior to the dealer's receipt of the written official price increase notification. A sales contract

signed by a retail consumer accompanied with proof of order submission to the factory shall constitute evidence of each such order, provided that the vehicle is in fact delivered to the customer. Price differences applicable to new models or series motor vehicles at the time of the introduction of new models or series shall not be considered a price increase for purposes of this paragraph. Price changes caused by any of the following shall not be subject to the provisions of this paragraph:

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

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

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

21. Being a factory that requires a new motor vehicle dealer to sell, offer to sell or sell exclusively an extended service contract, extended maintenance plan or similar product, such as gap products offered, endorsed or sponsored by the factory by the following means:

- a. by an act or statement from the factory that will in any manner adversely impact the dealer,
- b. by measuring the dealer's performance under the franchise based on the sale of extended service contracts, extended maintenance plans or similar products offered, endorsed or sponsored by the manufacturer or distributor.

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

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

2. The exercise of the right of first refusal will result in the dealer and the owner of the dealership receiving the same or greater consideration as they have contracted to receive in connection with the proposed change of ownership or transfer;

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

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

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

1. Business activities, including without limitation the dealings with motor vehicle manufacturers and the representatives and affiliates of motor vehicle manufacturers, of any person that is primarily engaged in the business of short-term, not to exceed

twelve (12) months, rental of motor vehicles and industrial and construction equipment and activities incidental to that business, provided that:

- a. any motor vehicle sold by that person is limited to used motor vehicles that have been previously used exclusively and regularly by that person in the conduct of business and used motor vehicles traded in on motor vehicles sold by that person,
- b. warranty repairs performed by that person on motor vehicles are limited to those motor vehicles that it owns, previously owned or takes in trade, and
- c. motor vehicle financing provided by that person to retail consumers for motor vehicles is limited to used vehicles sold by that person in the conduct of business; or

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

SECTION 3. AMENDATORY 47 O.S. 2011, Section 583, as last amended by Section 2 of Enrolled House Bill No. 1153 of the 1st Session of the 58th Oklahoma Legislature, is amended to read as follows:

Section 583. A. 1. It shall be unlawful and constitute a misdemeanor for any person to engage in business as, or serve in the capacity of, or act as a used motor vehicle dealer, wholesale used motor vehicle dealer, manufactured home dealer, restricted manufactured home park dealer, manufactured home installer, or manufactured home manufacturer selling directly to a licensed manufactured home dealer in this state without first obtaining a license or following other requirements therefor as provided in this section.

2. a. Any person engaging, acting, or serving in the capacity of a used motor vehicle dealer, a manufactured home dealer, restricted manufactured home park dealer, a manufactured home installer, or a manufactured home manufacturer, or having more than one place where any such business, or combination of businesses, is carried on or conducted shall be

required to obtain and hold a current license for each such business, in which engaged.

- b. If after a hearing in accordance with the provisions of Section 585 of this title, the Oklahoma Used Motor Vehicle and Parts Commission shall find any person installing a mobile or manufactured home to be in violation of any of the provisions of this act, such person may be subject to an administrative fine of not more than Five Hundred Dollars (\$500.00) for each violation. Each day a person is in violation of this act may constitute a separate violation. All administrative fines collected pursuant to the provisions of this subparagraph shall be deposited in the fund established in Section 582 of this title. Administrative fines imposed pursuant to this subparagraph may be enforceable in the district courts of this state.

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

B. 1. Applications for licenses required to be obtained under the provisions of the Oklahoma Used Motor Vehicle and Parts Commission shall be verified by the oath or affirmation of the applicant and shall be on forms prescribed by the Commission and furnished to the applicants, and shall contain such information as the Commission deems necessary to enable it to fully determine the qualifications and eligibility of the several applicants to receive the license or licenses applied for. The Commission shall require in the application, or otherwise, 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 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 licenses shall expire on December 31 and it shall be illegal for any person to represent himself or herself and act as a dealer thereafter. Tag agents shall be notified not to accept dealers' titles until such time as licenses have been issued. Beginning January 1, 2016, all licenses shall be issued for a period of two (2) years and the appropriate fees shall be assessed. The Commission shall adopt rules necessary to implement the two-year licensing provisions.

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

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

1. For each used motor vehicle dealer's license and each wholesale used motor vehicle dealer's license, Six Hundred Dollars (\$600.00). If a used motor vehicle dealer or a wholesale used motor

vehicle dealer has once been licensed by the Commission in the classification for which he or she applies for a renewal of the license, the fee for each subsequent renewal shall be Three Hundred Dollars (\$300.00); provided, if an applicant holds a license to conduct business as an automotive dismantler and parts recycler issued pursuant to Section 591.1 et seq. of this title, the initial fee shall be Two Hundred Dollars (\$200.00) and the renewal fee shall be Two Hundred Dollars (\$200.00). If an applicant is applying simultaneously for a license under this paragraph and a license under paragraph 1 of Section 591.5 of this title, the initial application fee shall be Four Hundred Dollars (\$400.00). For the reinstatement of a used motor vehicle dealer's license after revocation for cancellation or expiration of insurance pursuant to subsection F of this section, the fee shall be Two Hundred Dollars (\$200.00);

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

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

4. a. For each manufactured home dealer's license or a restricted manufactured home park dealer's license, Six Hundred Dollars (\$600.00), and for each place of business in addition to the principal place of business, Four Hundred Dollars (\$400.00), and

b. For each renewal of a manufactured home dealer's license or a restricted manufactured home park dealer's license, and renewal for each place of business in addition to the principal place of business, Three Hundred Dollars (\$300.00);

5. a. For each manufactured home installer's license, Four Hundred Dollars (\$400.00), and

b. For each renewal of a manufactured home installer's license, Four Hundred Dollars (\$400.00);

6. a. For each manufactured home manufacturer selling directly to a licensed manufactured home dealer in this state, One Thousand Five Hundred Dollars (\$1,500.00), and
- b. For each renewal of a manufactured home manufacturer's license, One Thousand Five Hundred Dollars (\$1,500.00);

7. Any manufactured home manufacturer who sells a new manufactured home to be shipped to or sited in the State of Oklahoma shall pay an installation inspection fee of Seventy-five Dollars (\$75.00) for each new single-wide manufactured home and One Hundred Twenty-five Dollars (\$125.00) for each new multi-floor manufactured home; and

8. A used manufactured home inspection fee of Seventy-five Dollars (\$75.00) shall be paid by the installer at or before the time of installation of any used manufactured home sited and installed in the State of Oklahoma.

D. 1. The license issued to each used motor vehicle dealer, each wholesale used motor vehicle dealer, each restricted manufactured home park dealer and each manufactured home dealer shall specify the location of the place of business. If the business location is changed, the Oklahoma Used Motor Vehicle and Parts Commission shall be notified immediately of the change and the Commission may endorse the change of location on the license. The fee for a change of location shall be One Hundred Dollars (\$100.00), and the fee for a change of name, Twenty-five Dollars (\$25.00). The license of each licensee shall be posted in a conspicuous place in the place or places of business of the licensee.

2. The license issued to each manufactured home installer and each manufactured home manufacturer shall specify the location of the place of business. If the business location is changed, the Oklahoma Used Motor Vehicle and Parts Commission shall be notified immediately of the change and the Commission may endorse the change of location on the license without charge. The license of each licensee shall be posted in a conspicuous place in the place or places of business of the licensee.

3. Every manufactured home installer shall have the license available for inspection at the primary place of business of the licensee. This license shall be valid for the licensee and all of

the employees of the licensee. Any person who is not an employee of the licensee must obtain a separate manufactured home installer license regardless of whether such person is acting in the capacity of a contractor or subcontractor.

- E. 1. a. Each applicant for a used motor vehicle dealer's license shall procure and file with the Commission a good and sufficient bond in the amount of Twenty-five Thousand Dollars (\$25,000.00). Each new applicant for a used motor vehicle dealer's license for the purpose of conducting a used motor vehicle auction shall procure and file with the Commission a good and sufficient bond in the amount of Fifty Thousand Dollars (\$50,000.00). An applicant who intends to conduct a used motor vehicle auction who provides proof that the applicant has check and title insurance in an amount not less than Fifty Thousand Dollars (\$50,000.00) shall only be required to have a bond in the amount of Twenty-five Thousand Dollars (\$25,000.00).
- b. Each new applicant for a used motor vehicle dealer license for the purpose of conducting a used motor vehicle business which will consist primarily of non-auction consignment sales which are projected to equal Five Hundred Thousand Dollars (\$500,000.00) or more in gross annual sales shall procure and file with the Commission a good and sufficient bond in the amount of Fifty Thousand Dollars (\$50,000.00). The Commission shall prescribe by rule the method of operation of the non-auction consignment dealer in order to properly protect the interests of all parties to the transaction and to provide sanctions against dealers who fail to comply with the rules.
- c. Each applicant for a wholesale used motor vehicle dealer's license shall procure and file with the Commission a good and sufficient bond in the amount of Twenty-five Thousand Dollars (\$25,000.00).
- d. Any used motor vehicle dealer who, for the purpose of being a rebuilder, applies for a rebuilder certificate, as provided in Section 591.5 of this title, whether as a new application or renewal, shall procure and file with the Commission a good and

sufficient bond in the amount of Fifteen Thousand Dollars (\$15,000.00), in addition to any other bonds required.

- e. Each applicant for a manufactured home dealer's license or a restricted manufactured home park dealer's license shall procure and file with the Commission a good and sufficient bond in the amount of Thirty Thousand Dollars (\$30,000.00).
- f. Each manufactured home manufacturing facility selling directly to a licensed manufactured home dealer or restricted manufactured home park dealer in this state shall procure and file with the Commission a good and sufficient bond in the amount of Thirty Thousand Dollars (\$30,000.00). In addition to all other conditions and requirements set forth herein, the bond shall require the availability of prompt and full warranty service by the manufacturer to comply with all warranties expressed or implied in connection with each manufactured home which is manufactured for resale or use in this state. A manufacturer may not sell, exchange, or lease-purchase with an option to own in any form a manufactured home to a person in this state directly or indirectly through a distributor or third party who is not a licensed manufactured home dealer or a restricted manufactured home park dealer.
- g. The bond shall be approved as to form by the Attorney General and conditioned that the applicant shall not practice fraud, make any fraudulent representation, or violate any of the provisions of this act in the conduct of the business for which the applicant is licensed. One of the purposes of the bond is to provide reimbursement for any loss or damage suffered by any person by reason of issuance of a certificate of title by a used motor vehicle dealer, a wholesale used motor vehicle dealer, a restricted manufactured home park dealer or a manufactured home dealer.

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

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

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

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

SECTION 4. AMENDATORY Section 8, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 583.1), is amended to read as follows:

Section 583.1 A. It shall be punishable by an administrative fine not to exceed Five Hundred Dollars (\$500.00) for any person, firm, association, corporation or trust to engage in business as, or serve in the capacity of, a used motor vehicle salesperson in this state without first obtaining a certificate of registration with the Oklahoma Used Motor Vehicle and Parts Commission. However, a person may sell used motor vehicles without obtaining a separate used motor vehicle salesperson's certificate of registration if the person has a certificate of registration from the Oklahoma Motor Vehicle Commission to sell new or unused motor vehicles at a new motor vehicle dealer's licensed franchise location which also sells used vehicles; provided, such a person shall only be authorized to sell used motor vehicles for the dealer at the new motor vehicle dealer's licensed franchise location and to represent the new motor vehicle dealer at used motor vehicle auctions. The cost of the registration for each salesperson shall be Fifty Dollars (\$50.00) to be renewed biennially and, for a transfer, Twenty-five Dollars (\$25.00). The cost of registration for each new salesperson shall be set at Twenty-five Dollars (\$25.00) to be renewed annually. The cost of registration is to be borne by the employing entity of the new salesperson. The Oklahoma Used Motor Vehicle and Parts Commission shall promulgate rules and procedures necessary for the

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

B. It shall be punishable by an administrative fine not to exceed Five Hundred Dollars (\$500.00) for any person, firm, association, corporation or trust to engage in business as, or serve in the capacity of, a manufactured home salesperson in this state without first obtaining a certificate of registration with the Oklahoma Used Motor Vehicle and Parts Commission. ~~The cost of registration for each new salesperson shall be set at Twenty-five Dollars (\$25.00) to be renewed annually.~~ The cost of the registration for each salesperson shall be Fifty Dollars (\$50.00) to be renewed biennially and, for a transfer, Twenty-five Dollars (\$25.00). The cost of registration is to be borne by the employing entity of the ~~new~~ salesperson. The Commission shall promulgate rules and procedures necessary for the implementation and creation of ~~the~~ a registry of salespersons and the issuance of certificates of registration.

SECTION 5. AMENDATORY 47 O.S. 2011, Section 584, as last amended by Section 6, Chapter 79, O.S.L. 2019 (47 O.S. Supp. 2020, Section 584), is amended to read as follows:

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

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

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

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

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

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

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

- a. resorts to or uses any false or misleading advertising in connection with business as a used motor vehicle dealer, wholesale used motor vehicle dealer or a restricted manufactured home park dealer or manufactured home dealer, installer or manufacturer,
- b. has committed any unlawful act which resulted in the revocation of any similar license in another state,
- c. has been convicted of a crime involving moral turpitude,
- d. has committed a fraudulent act in selling, purchasing or otherwise dealing in motor vehicles or manufactured homes or has misrepresented the terms and conditions of a sale, purchase or contract for sale or purchase of a motor vehicle or manufactured home or any interest therein including an option to purchase such motor vehicles or manufactured homes,
- e. has engaged in business under a past or present license issued pursuant to Sections 581 through 588 of this title, in such a manner as to cause injury to the public or to those with whom the licensee is dealing,
- f. has failed to meet or maintain the conditions and requirements necessary to qualify for the issuance of a license,
- g. has failed or refused to furnish and keep in force any bond required under Sections 581 through 588 of this title,
- h. has installed or attempted to install a manufactured home in an unworkmanlike manner, or

- i. employs ~~unlicensed persons~~ a person in connection with the sale of manufactured homes without first obtaining a certificate of registration for the person;

7. Being a used motor vehicle dealer who:

- a. does not have an established place of business,
- b. employs ~~unlicensed persons~~ a person in connection with the sale of used vehicles without first obtaining a certificate of registration for the person,
- c. fails or refuses to furnish or keep in force single limit liability insurance on any vehicle offered for sale and otherwise required under the financial responsibility laws of this state, or
- d. is not operating from the address shown on the license if this change has not been reported to the Commission; or

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

- a. does not have an established place of business,
- b. fails or refuses to furnish or keep in force garage liability and completed operations insurance, or
- c. is not operating from the address shown on the license if this change has not been reported to the Commission.

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

- a. a display area for manufactured homes which is easily accessible, with sufficient parking for the public,
- b. an office for conducting business where the books, records, and files are kept, with access to a restroom for the public,

- c. a place of business which meets all zoning, occupancy and other requirements of the appropriate local government and regular occupancy by a person, firm, or corporation engaged in the business of selling manufactured homes, and
- d. a place of business which is separate and apart from any other dealer's location.

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

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

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

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

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

D. The Commission shall deny an application for a license, or revoke or suspend a license after it has been granted, if a

manufactured home manufacturer violates or fails to comply with any applicable rule as promulgated by the Commission concerning manufactured home manufacturers.

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

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

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

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

SECTION 6. AMENDATORY 47 O.S. 2011, Section 596.2, is amended to read as follows:

Section 596.2 A. It shall be unlawful for any person, firm, association, corporation or trust to engage in business as, or serve in the capacity of, or act as a new recreational vehicle dealer, new

recreational vehicle manufacturer, new recreational vehicle factory representative or new recreational vehicle salesperson in this state without first obtaining a license or salesperson registration as provided for by law.

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

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

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

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

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

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

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

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

~~D.~~ E. A dealer shall not sell or display for sale a new recreational vehicle in this state unless the dealer is licensed by the ~~OMVC~~ Commission to sell recreational vehicles in the State of Oklahoma. The dealer shall also be required to have a dealer agreement with the manufacturer of the recreational vehicle that meets the requirements of this act and is signed by both parties.

SECTION 7. AMENDATORY 47 O.S. 2011, Section 596.14, is amended to read as follows:

Section 596.14 The Oklahoma Motor Vehicle Commission may deny an application for a license, revoke or suspend a license, impose a fine against a manufacturer or distributor in an amount not to exceed Ten Thousand Dollars (\$10,000.00) per occurrence, or impose a fine against a dealer in an amount not to exceed One Thousand Dollars (\$1,000.00) per occurrence if any provision of the Recreational Vehicle Franchise Act ~~of Title 47 of the Oklahoma Statutes~~ is violated or for any of the following reasons:

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

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

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

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

5. Being a new recreational vehicle dealer ~~or new recreational vehicle salesperson~~ who:

- a. has required a purchaser of a new recreational vehicle, as a condition of sale and delivery thereof, to also purchase special features, appliances, accessories or equipment not desired or requested by the purchaser and installed by the dealer,

- b. uses any false or misleading advertising in connection with business as a new recreational vehicle dealer or vehicle salesperson,
- c. has committed any unlawful act which resulted in the revocation of any similar license in another state,
- d. has failed or refused to perform any written agreement with any retail buyer involving the sale of a recreational vehicle,
- e. has been convicted of a crime involving moral turpitude,
- f. has committed a fraudulent act in selling, purchasing or otherwise dealing in new recreational vehicles or has misrepresented the terms and conditions of a sale, purchase or contract for sale or purchase of a new recreational vehicle or any interest therein including an option to purchase such vehicle, ~~or~~
- g. has failed to meet or maintain the conditions and requirements necessary to qualify for the issuance of a license~~;~~, or

~~6. Being a~~

- h. has employed an unregistered new recreational vehicle salesperson ~~who is not employed as such by a licensed new recreational vehicle dealer;~~

~~7.~~ 6. Being a new recreational vehicle dealer who:

- a. does not have an established place of business,
- b. does not provide for a suitable repair shop separate from the display room with ample space to repair or recondition one or more recreational vehicles at the same time and equipped with tools, equipment, and replacement parts as may be necessary for the servicing of recreational vehicles in such a manner as to make such vehicles comply with the safety laws of this state and properly fulfill the warranty obligation of the dealer or manufacturer,

- c. does not hold a dealer agreement in effect with a manufacturer or distributor of new or unused recreational vehicles for the sale of the same and is not authorized by the manufacturer or distributor to render predelivery preparation of such vehicles sold to purchasers and perform authorized postsale work pursuant to the warranty of the manufacturer or distributor,
- d. employs ~~unlicensed~~ unregistered salespersons or employs or utilizes the services of used recreational vehicle lots, dealers or other ~~unlicensed~~ unregistered persons in connection with the sale of new recreational vehicles; ~~or~~

~~8.~~ 7. Being a factory that has:

- a. induced or attempted to induce by means of coercion or intimidation any new recreational vehicle dealer:
 - (1) to accept delivery of any recreational vehicle or vehicles, parts or accessories for recreational vehicles, or any other commodities including advertising material which shall not have been ordered by the new recreational vehicle dealer,
 - (2) to order or accept delivery of any recreational vehicle with special features, appliances, accessories or equipment not included in the list price of the recreational vehicles as publicly advertised by the manufacturer of the recreational vehicle, or
 - (3) to order or accept delivery of any parts, accessories, equipment, machinery, tools, appliances or any commodity whatsoever,
- b. induced under threat or discrimination by the withholding from delivery to a recreational vehicle dealer certain models of recreational vehicles, changing or amending unilaterally the allotment of recreational vehicles of a dealer or withholding and delaying delivery of such vehicles out of the ordinary course of business, in order to induce a dealer by such coercion to participate or contribute to any

local or national advertising fund controlled directly or indirectly by the factory or for any other purposes including contests, giveaways, other sales promotional devices, or change of quotas in any sales contest, or

- c. required recreational vehicle dealers, as a condition of receiving the vehicle allotment of the dealer, to order a certain percentage of the recreational vehicles with optional equipment not specified by the new recreational vehicle dealer; however, nothing in this paragraph shall prohibit a factory from supporting an advertising association which is open to all dealers on the same basis; or

8. Has employed unlicensed factory representatives.

The Commission may deny any application for license, or suspend or revoke a license issued, or impose a fine, only after a hearing for which the applicant or licensee affected shall be given at least ten (10) days' written notice specifying the reason for denying the applicant a license, or, in the case of a revocation or suspension or imposition of a fine, the offense which the licensee is alleged to have committed. The notice may be served as provided by law for the service of notices, or mailing a copy by registered mail to the last-known residence or business address of the applicant or licensee. The hearing on alleged violations shall be at such time and place as the Commission may prescribe and the aforementioned notice shall further specify the time and place. If the applicant or licensee is a motor vehicle salesperson, factory representative or distributor representative, the Commission shall in like manner additionally notify the person, firm, association, corporation or trust with whom he or she is associated, or in whose association he or she is about to enter. The Commission shall have the power to compel the production of all records, papers and other documents which may be deemed relevant to the proceeding bearing upon the complaints. The Commission shall have the power to subpoena and bring before it any person, or take testimony of any person by deposition, with the same fees and mileage and in the same manner as prescribed in the proceedings before courts of the state in civil cases. Any party to the hearing shall have the right to the attendance of witnesses ~~in~~ on his or her behalf upon designating to the Commission the person or persons sought to be subpoenaed.

SECTION 8. This act shall become effective November 1, 2021.

Passed the House of Representatives the 4th day of May, 2021.

Presiding Officer of the House
of Representatives

Passed the Senate the 21st day of April, 2021.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____