

FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2244 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Mike Dobrinski

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 FLOOR SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 2244

6 By: Dobrinski of the House

7 and

8 Thompson (Roger) of the
9 Senate

10 FLOOR SUBSTITUTE

11 An Act relating to motor vehicles; defining terms;
12 authorizing dealer management system providers
13 perform certain actions; prohibiting dealer
14 management system providers from certain actions;
15 making conflicting term or condition of contracts
16 void and unenforceable; requiring certain actions of
17 authorized integrators; allowing dealers to withdraw,
18 revoke or amend certain express written authorization
19 under certain circumstances; requiring certain
20 obligations to secure and prevent unauthorized access
21 to certain information; stating certain parties not
22 liable for certain actions; requiring indemnification
23 for certain claims; requiring manufacturers to allow
24 new motor vehicle dealers to make certain offers to
consumers; making certain exceptions; limiting
certain applications; amending 21 O.S. 2021, Section
918, which relates to the sale, barter or exchange of
motor vehicles on Sunday prohibited; modifying name
of certain entity; amending 47 O.S. 2021, Section
562, which relates to definitions; modifying
definitions; defining terms; amending 47 O.S. 2021,
Section 563, which relates to Oklahoma Motor Vehicle
Commission; modifying name of certain entity;
requiring certain delivery agreement forms for
certain deliveries; amending 47 O.S. 2021, Section
564, which relates to licenses; requiring powersports
dealers obtain certain license; disallowing certain
authorization; making certain exception; amending 47
O.S. 2021, Section 564.1, which relates to off-

1 premises displays of new motor vehicles; modifying
2 name of certain entity; making certain authorization;
3 removing certain request for variance; amending 47
4 O.S. 2021, Section 564.2, which relates to
5 certificates of registration for new motor vehicle
6 salesperson; modifying name of certain entity;
7 amending 47 O.S. 2021, Section 565, as last amended
8 by Section 3, Chapter 192, O.S.L. 2022 (47 O.S. Supp.
9 2022, Section 565), which relates to denial,
10 revocation, or suspension of license; modifying name
11 of certain entity; modifying entity subject to
12 license denial, revocation, suspension, or fine;
13 modifying reasons for license denial, revocation,
14 suspension, or punishment by fine; prohibiting
15 certain standards to measure performance; requiring
16 certain vehicles be offered at same price; requiring
17 certain reimbursement for rental cars; making certain
18 exception; requiring new vehicles be distributed in
19 certain manner; limiting dealers to one part or labor
20 rate request per year; modifying certain time frame
21 for rebuttal; providing for certain calculation;
22 providing for exclusions for certain rate
23 calculation; modifying reasons for certain rebuttal;
24 allowing certain written request; allowing certain
adjustments; requiring certain written notice;
prohibiting certain recovery of costs; allowing for
certain price increases and charges; prohibiting
factory denial of certain claims and implementation
of certain charge-backs; requiring certain
documentation and written attestation; providing for
certain compensation calculation; requiring certain
method for used vehicle calculations; allowing
factory to direct dealer in certain manner and
method; requiring certain reimbursement claims be
subject to certain limitations and requirements;
placing certain limit on total compensation;
disallowing certain remedy combinations; disallowing
the use of certain agreements; making certain
exception; providing for certain violation; making
certain exceptions; allowing for certain construction
or renovation; providing certain rebuttable
presumption; prohibiting factories from changing
certain plans or systems; limiting license for
distribution; allowing manufacturer or distributor to
require certain dealer compliance; amending 47 O.S.
2021, Section 565.1, which relates to succession
dealerships; defining term; clarifying language;

1 requiring adherence to certain agreement; requiring
2 certain changes be in compliance with existing law;
3 amending 47 O.S. 2021, Section 565.2, which relates
4 to termination, cancellation, or nonrenewal of
5 franchise; modifying terms; requiring certain hearing
6 be held within certain time frame; allowing for
7 certain extension; requiring certain compensation;
8 amending 47 O.S. 2021, Section 565.3, which relates
9 to notice of proposed sale; requiring use of certain
10 standards; requiring certain changes be in compliance
11 with existing law; limiting certain evaluations;
12 deleting certain protest right; requiring the
13 submission of certain agreement; amending 47 O.S.
14 2021, Sections 566, 566.1, 567 and 576 which relate
15 to procedure for denial, suspension, or revocation of
16 license, application of the Administrative Procedures
17 Act, injunctions, and petty cash fund; modifying name
18 of certain entity; amending 47 O.S. 2021, Section
19 578.1, which relates to procedures for relocation or
20 establishment; modifying definition; making certain
21 exceptions; amending 47 O.S. 2021, Section 579, which
22 relates to relocation or establishment of franchises;
23 modifying name of certain entity; amending 47 O.S.
24 2021, Section 580.2, which relates to insurance
coverage on loan vehicles; defining term; making
certain liability policy coverage distinction;
amending 47 O.S. 2021, Section 583, as amended by
Section 3, Chapter 107, O.S.L. 2022 (47 O.S. Supp.
2022, Section 583), which relates to license
required; modifying name of certain entity; amending
47 O.S. 2021, Section 583.1, as amended by Section 4,
Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022, Section
583.1), which relates to certificate of registration
for used motor vehicle or manufactured home
salespersons; modifying name of certain entity;
amending 47 O.S. 2021, Sections 596.1, 596.2, 596.3,
596.5, 596.7, 596.8, 596.14, 596.15, 596.16, and
1116.1, which relate to definitions, new recreational
vehicle dealer, dealer sales responsibility,
manufacturer termination of dealer agreement, sale of
inventory after termination of dealer agreement, sale
of business assets, denial of application for
license, cause of action, remedies, new vehicles;
modifying definitions; defining terms; modifying name
of certain entity; updating statutory references;
amending 47 O.S. 2021, Section 1128, as amended by
Section 142, Chapter 282, O.S.L. 2022 (47 O.S. Supp.

1 2022, Section 1128), which relates to manufacturer's
2 or dealer's license; modifying name of certain
3 entities; amending 47 O.S. 2021, Section 1137.3, as
4 amended by Section 172, Chapter 282, O.S.L. 2022 (47
5 O.S. Supp. 2022, Section 1137.3), which relates to
6 registration and licensing of new motor vehicle,
7 trailer or commercial trailer; modifying name of
8 certain entity; amending 62 O.S. 2021, Section 155,
9 which relates to state boards, commissions and
10 departments; modifying name of certain entity;
11 amending 74 O.S. 2021, Section 3601.1, as amended by
12 Section 24, Chapter 107, O.S.L. 2022 (74 O.S. Supp.
13 2022, Section 3601.1), which relates to employee
14 defined; modifying name of certain entity; repealing
15 47 O.S. 2021, Section 1128, as amended by Section 21,
16 Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022, Section
17 1128), which relates to manufacturer's or dealer's
18 license; providing for codification; and providing an
19 effective date.
20

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

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

A. As used in this section:

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

2. "Authorized integrator" means a person who a dealer has a
contractual relationship with or the dealer otherwise gives express
written authorization to have access to protected dealer data stored
on a dealer data system or to write protected dealer data to the

1 dealer data system for the purpose of performing a specific function
2 for the dealer;

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

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

9 5. "Protected dealer data" means:

10 a. consumer data that a dealer generated or that the
11 consumer provided to the dealer that is not otherwise
12 publicly available and the consumer has not otherwise
13 provided consent or acknowledgment to share the
14 information, and

15 b. any other dealer data in connection with the dealer's
16 daily business operations in which a dealer has rights
17 in a dealer data system; and

18 6. Authorized integrator and dealer management system provider
19 do not include:

20 a. a manufacturer, distributor or importer or any entity
21 that is a subsidiary or affiliate of, or acts on
22 behalf of, a manufacturer, distributor or importer, or
23

24

1 b. a governmental body or other person that is acting in
2 accordance with federal, state, or local law or a
3 valid court order.

4 B. A dealer management system provider may:

5 1. Condition access and ability of a dealer or authorized
6 integrator to receive, share, copy, use, write, or transmit
7 protected dealer data from or to a dealer data system on the
8 dealer's or authorized integrator's compliance with security
9 standards;

10 2. Require an authorized integrator to have express written
11 authorization from a dealer before allowing the authorized
12 integrator to gain access to, receive, share, copy, use, or transmit
13 protected dealer data; and

14 3. Deny access to a dealer data system to a dealer if the
15 dealer fails to pay an amount due to the dealer management system
16 provider under a lease, contract, or other agreement concerning the
17 dealer's access to or use of the dealer data system.

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

23 1. Imposing an access fee on a dealer or authorized integrator;
24 and

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

- 5 a. limits on the scope or nature of protected dealer data
6 to which a dealer or authorized integrator has access
7 or may share or write to a dealer data system, and
- 8 b. a requirement for a dealer or authorized integrator to
9 provide sensitive or confidential business information
10 or information that a dealer or authorized integrator
11 uses for competitive purposes in return for access to
12 protected dealer data or an authorization to share or
13 write protected dealer data to a dealer data system.

14 D. Except as otherwise provided in this section, any term or
15 condition of a contract with a dealer management system provider
16 that conflicts with the requirements set forth in subsection C of
17 this section is void and unenforceable to the extent of the
18 conflict.

19 E. An authorized integrator shall:

- 20 1. Obtain express written authorization from a dealer before
21 gaining access to, receiving, sharing, copying, using, writing, or
22 transmitting protected dealer data;

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

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

7 a. at the sole discretion of the dealer, if the dealer
8 gives a thirty-day prior notice to an authorized
9 integrator, or

10 b. immediately, for good cause.

11 F. 1. This section does not prevent a dealer, a dealer
12 management system provider, or an authorized integrator from
13 discharging the obligations of a dealer, dealer management system
14 provider, or of authorized integrator under federal, state, or local
15 law to secure and prevent unauthorized access to protected dealer
16 data, or from limiting the scope of the obligations, in accordance
17 with federal, state, or local law.

18 2. A dealer management system provider is not liable for any
19 action that a dealer takes directly with respect to securing or
20 preventing unauthorized access to protected dealer data, or for
21 actions that an authorized integrator takes in appropriately
22 following the written instructions of the dealer for securing or
23 preventing unauthorized access to protected dealer data, to the
24 extent that the actions prevent the dealer management system

1 provider from meeting a legal obligation to secure or prevent
2 unauthorized access to protected dealer data.

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

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

19 5. A manufacturer, distributor, importer, or any entity that is
20 a subsidiary or affiliate of, or acts on behalf of, a manufacturer,
21 distributor, or importer is not liable for any action that a dealer,
22 dealer management system provider, authorized integrator, or other
23 third party, except for a third party who the manufacturer has
24 provided the data to as provided for in paragraph 7 of this

1 subsection, takes directly with respect to securing or preventing
2 unauthorized access to protected dealer data, or for actions that an
3 authorized integrator, dealer management system provider, or other
4 third party takes in appropriately following the written
5 instructions of the dealer for securing or preventing unauthorized
6 access to protected dealer data.

7 6. Notwithstanding any other agreement, an authorized
8 integrator shall indemnify and hold the new motor vehicle dealer
9 harmless from any third-party claims asserted against or damages
10 incurred by the new motor vehicle dealer to the extent caused by
11 access to, use of, or disclosure of consumer data in violation of
12 this section.

13 7. Notwithstanding any other agreement, a manufacturer,
14 distributor, importer, or any entity that is a subsidiary or
15 affiliate of, or acts on behalf of, a manufacturer, distributor, or
16 importer shall indemnify the dealer for any third-party claims
17 asserted against or damages incurred by the dealer to the extent the
18 claims or damages are caused by the access to and unlawful
19 disclosure of protected dealer data resulting from a breach caused
20 by the manufacturer or distributor or a third party to which the
21 manufacturer or distributor has provided the protected dealer data
22 in violation of this section, the written consent granted by the
23 dealer, or other applicable state or federal law.

24

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

4 Any manufacturer or distributor who has new motor vehicle sales
5 and service agreements with new motor vehicle dealers in the state
6 shall allow its new motor vehicle dealers to offer consumers any
7 remote software upgrade or change to vehicle functions and features
8 to a new motor vehicle which is of a line-make the new motor vehicle
9 dealer holds an active sales and service agreement for, as any
10 offered to consumers in the state by the manufacturer or
11 distributor, and such upgrade or change shall be available for an
12 authorized new motor vehicle dealer to offer to consumers at any
13 time during the life cycle of the vehicle, and subject to the
14 manufacturer or distributor's requirements, provided the same
15 continues to be made available and offered to consumers in the state
16 by the manufacturer or distributor. This section does not apply to
17 remote software upgrades or changes administered at no cost to the
18 consumer, or related solely to the safety, regulatory requirements,
19 cybersecurity, recall of a motor vehicle, state or federal statutes,
20 regulations, or orders. Nothing in this section shall be construed
21 to limit or impair a manufacturer or distributor's intellectual
22 property rights nor to grant a new motor vehicle dealer authority to
23 sell, copy, modify, or use the manufacturer or distributor's
24 intellectual property in a manner that has not been authorized by

1 the manufacturer or distributor. Nothing in this section shall
2 obligate a manufacturer, distributor, or other person to support or
3 maintain any software or change to vehicle functions and features.

4 SECTION 3. AMENDATORY 21 O.S. 2021, Section 918, is
5 amended to read as follows:

6 Section 918. No person, firm or corporation, whether owner,
7 proprietor, agent or employee, shall keep open, operate or assist in
8 keeping open or operating any place or premises or residences
9 whether open or closed, for the purpose of selling, bartering, or
10 exchanging, or offering for sale, barter, or exchange, any motor
11 vehicle or motor vehicles, whether new, used or second hand, on the
12 first day of the week, commonly called Sunday, except as otherwise
13 provided in this section; and provided, however, that this act shall
14 not apply to the opening of an establishment or place of business on
15 the first day of the week for other purposes, such as the sale of
16 petroleum products, tires, automobile accessories, or for the
17 purpose of operating and conducting a motor vehicle repair shop, or
18 for the purpose of supplying such services as towing or wrecking.
19 Antique, classic, or special interest automobiles sold, bartered,
20 auctioned, or exchanged by any person, firm, or corporation are
21 exempt from the provisions of this section, as well as ~~off-premise~~
22 off-premises sales of new motorized recreational vehicles approved
23 by the Oklahoma New Motor Vehicle Commission pursuant to the
24 provisions of the Recreational Vehicle Franchise Act.

1 SECTION 4. AMENDATORY 47 O.S. 2021, Section 562, is
2 amended to read as follows:

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

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

- 11 a. recreational vehicles, as defined in the Recreational
12 Vehicle Franchise Act, or
- 13 b. all-terrain vehicles, utility vehicles, and
14 motorcycles used exclusively for off-road use which
15 are sold by a retail implement dealer;

16 2. "New motor vehicle dealer" means any person, firm,
17 association, corporation or trust not excluded by this paragraph who
18 sells, offers for sale, advertises to sell, leases or displays new
19 motor vehicles and holds a bona fide contract or franchise in effect
20 with a manufacturer or distributor authorized by the manufacturer to
21 make predelivery preparation of such vehicles sold to purchasers and
22 to perform post-sale work pursuant to the manufacturer's or
23 distributor's warranty. As used herein, "authorized predelivery
24 preparation" means the rendition by the dealer of services and

1 safety adjustments on each new motor vehicle in accordance with the
2 procedure and safety standards required by the manufacturer of the
3 vehicle to be made before its delivery to the purchaser.

4 "Performance of authorized post-sale work pursuant to the warranty",
5 as used herein, means the rendition of services which are required
6 by the terms of the warranty that stands extended to the vehicle at
7 the time of its sale and are to be made in accordance with the
8 safety standards prescribed by the manufacturer. The term includes
9 premises or facilities at which a person engages only in the repair
10 of motor vehicles if repairs are performed pursuant to the terms of
11 a franchise and motor vehicle manufacturer's warranty. ~~However, the~~
12 ~~term shall not include premises or facilities at which a new motor~~
13 ~~vehicle dealer or dealers within the area of responsibility of such~~
14 ~~dealer or dealers as defined in the manufacturer's franchise~~
15 ~~agreement of such dealer or dealers performs motor vehicle repairs~~
16 ~~pursuant to the terms of a franchise and motor vehicle~~
17 ~~manufacturer's warranty.~~ For the purpose of Sections 561 through
18 567, 572, 578.1, 579 and 579.1 of this title, the terms "new motor
19 vehicle dealer" and "new motor vehicle dealership" shall be
20 synonymous. The term "new motor vehicle dealer" does not include:
21 a. receivers, trustees, administrators, executors,
22 guardians or other persons appointed by or acting
23 under judgment or order of any court,

24

1 b. public officers while performing or in operation of
2 their duties, ~~or~~

3 c. employees of persons, corporations or associations
4 enumerated in subparagraph a of this paragraph when
5 engaged in the specific performance of their duties as
6 such ~~employee~~ employees, or

7 d. a powersports vehicle dealer;

8 3. "Motor vehicle salesperson" means any person who, for gain
9 or compensation of any kind, either directly or indirectly,
10 regularly or occasionally, by any form of agreement or arrangement,
11 sells or negotiates for the sale, lease, or conveyance or arranges
12 the financing of any new motor vehicle ~~for~~ as an employee of any new
13 motor vehicle dealer to any one or more third parties;

14 4. "Commission" means the Oklahoma New Motor Vehicle
15 Commission;

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

21 6. "Distributor" means any person, firm, association,
22 corporation or trust, resident or nonresident, ~~who~~ that, being
23 authorized by the original manufacturer, in whole or in part, sells
24

1 or distributes new and unused motor vehicles to new motor vehicle
2 dealers, or ~~who~~ that maintains distributor representatives;

3 7. "Factory branch" means any branch office maintained by a
4 person, firm, association, corporation or trust ~~who~~ that
5 manufactures or assembles motor vehicles for the sale of motor
6 vehicles to distributors, or for the sale of motor vehicles to new
7 motor vehicle dealers, or for directing or supervising, in whole or
8 in part, its representatives;

9 8. "Distributor branch" means any branch office similarly
10 maintained by a distributor for the same purposes a factory branch
11 is maintained;

12 9. "Factory representative" means any officer or agent engaged
13 as a representative of a manufacturer of motor vehicles or by a
14 factory branch, for the purpose of making or promoting the sale of
15 its motor vehicles, or for supervising or contacting its dealers or
16 prospective dealers;

17 10. "Distributor representative" means any person, firm,
18 association, corporation or trust and each officer and employee
19 thereof engaged as a representative of a distributor or distributor
20 branch of motor vehicles, for the purpose of making or promoting the
21 sale of its motor vehicles, or for supervising or contacting its
22 dealers or prospective dealers;

23 11. "Franchise" means any contract or agreement between a new
24 motor vehicle dealer and a manufacturer of a new motor vehicle or

1 its distributor or factory branch by which the new motor vehicle
2 dealer is authorized to engage in the ~~business of selling any~~
3 ~~specified make or makes of new motor vehicles~~ activities of a new
4 motor vehicle dealer as defined by this section;

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

12 13. "Area of responsibility" means the geographical area, as
13 designated by the manufacturer, factory branch, factory
14 representative, distributor, distributor branch or distributor
15 representative, in which the new motor vehicle dealer is held
16 responsible for the promotion and development of sales and rendering
17 of service for the make of motor vehicle for which the new motor
18 vehicle dealer holds a franchise or selling agreement;

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

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

1 16. "Product" means new motor vehicles and new motor vehicle
2 parts;

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

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

8 19. "Sell" or "sale" means to sell or lease;

9 20. "Factory" means a manufacturer, distributor, factory
10 branch, distributor branch, factory representative or distributor
11 representative, which manufactures or distributes vehicle products;

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

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

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

21 24. "Consumer data" means nonpublic personal information
22 defined in 15 U.S.C., Section 6809(4) as it existed on January 1,
23 2023, that is:

24 a. collected by a new motor vehicle dealer, and

1 b. provided by the new motor vehicle dealer directly to a
2 manufacturer or third party acting on behalf of a
3 manufacturer.

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

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

9 SECTION 5. AMENDATORY 47 O.S. 2021, Section 563, is
10 amended to read as follows:

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

1 members of the Commission shall serve at the pleasure of the
2 Governor.

3 B. 1. The Commissioners shall elect a Chairman from amongst
4 them whose term shall be for one (1) year with the right to succeed
5 him or herself.

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

- 9 a. four areas of the state shall be the northwest,
10 northeast, southwest and southeast sections designated
11 by Interstate 35 dividing the state east and west and
12 Interstate 40 dividing the state north and south,
13 excluding Oklahoma County and Tulsa County, and
14 b. two additional areas shall be Oklahoma County and
15 Tulsa County.

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

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

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

22 2. The members appointed from the southeast area and Oklahoma
23 County and Tulsa County shall serve until June 30, 1989; and
24

1 3. The members appointed at large shall serve until June 30,
2 1991.

3 Each member shall serve until a successor is appointed and
4 qualifies. Thereafter, the term of office of each member of the
5 Commission shall be for six (6) years. The term of office of any
6 member will automatically expire if the member moves out of the
7 geographical area from which the member was appointed. In event of
8 death, resignation, removal, or term automatically expiring, of any
9 person serving on the Commission, the vacancy shall be filled by
10 appointment as provided for the unexpired portion of the term. The
11 Commission shall meet at Oklahoma City and complete its organization
12 immediately after the membership thereof has been appointed and has
13 qualified. The Chairman and each member of the Commission shall
14 take and subscribe to the oath of office required of public
15 officers.

16 D. The members of the Commission shall receive reimbursement
17 for subsistence and traveling expenses necessarily incurred in the
18 performance of their duties as provided by the State Travel
19 Reimbursement Act.

20 E. The Commission shall appoint a qualified person to serve as
21 Executive Director thereof, which person shall have had not less
22 than ten (10) years of experience in the motor vehicle industry.
23 The Executive Director shall be appointed for a term of six (6)
24 years, and shall not be subject to dismissal or removal without

1 cause. The Commission shall fix the salary and prescribe the duties
2 of the Executive Director. The Executive Director shall devote such
3 time as necessary to fulfill the duties thereof, and before entering
4 upon such duties shall take and subscribe to the oath of office.
5 The Executive Director may employ such clerical, technical and other
6 help and legal services and incur such expenses as may be necessary
7 for the proper discharge of the duties of the Executive Director
8 under this act. The Commission shall maintain its office and
9 transact its business in Oklahoma City, and it is authorized to
10 adopt and use a seal. The Executive Director is hereby authorized
11 to hire, retain or otherwise acquire the services of an attorney to
12 represent the Commission in any and all state and federal courts,
13 and assist the Commission in any and all business or legal matters
14 that may come before it. The attorney so representing the
15 Commission shall discharge the duties under the direction of the
16 Executive Director.

17 F. The Commission is hereby vested with the powers necessary to
18 enable it to fully and effectively carry out the provisions and
19 objects of this act, and is hereby authorized and empowered to make
20 and enforce all reasonable rules and to adopt and prescribe all
21 forms necessary to accomplish such purpose. All forms used by a new
22 motor vehicle dealer to facilitate the delivery of a vehicle pending
23 approval of financing shall be approved by the Commission. Spot
24 delivery agreement forms shall be required for all new motor vehicle

1 deliveries, subject to dealers finding lending institutions to
2 purchase the retail installment contracts executed by the purchasing
3 and selling parties.

4 G. All fees, charges and fines collected under the provisions
5 of this act shall be deposited by the Executive Director in the
6 State Treasury in accordance with the depository laws of this state
7 in a special fund to be known as the "Oklahoma New Motor Vehicle
8 Commission Fund", which is hereby created, and except as hereinafter
9 provided the monies in the fund shall be used by the Commission for
10 the purpose of carrying out and enforcing the provisions of this
11 act. Expenditures from the fund shall be made upon vouchers
12 approved by the Commission or its authorized officers.

13 At the close of each fiscal year, the Commission shall file with
14 the Governor and the State Auditor and Inspector a true and correct
15 report of all fees, fines and charges collected and received by it
16 during the preceding fiscal year and shall at the same time pay into
17 the General Revenue Fund of the state a sum equal to ten percent
18 (10%) of the fees, fines and charges so collected and received.

19 All expenses incurred by the Commission in carrying out the
20 provisions of this act, including but not limited to per diem,
21 wages, salaries, rent, postage, advertising, supplies, bond
22 premiums, travel and subsistence for the Commissioners, the
23 Executive Director, employees, and legal counsel, and printing and
24 utilities, shall be a proper charge against such fund, exclusive of

1 the portion thereof to be paid into the General Revenue Fund as
2 above set out. In no event shall liability ever accrue hereunder
3 against this state in any sum whatsoever, or against the Oklahoma
4 New Motor Vehicle Commission Fund, in excess of the ninety percent
5 (90%) of the fees, fines and charges deposited therein.

6 SECTION 6. AMENDATORY 47 O.S. 2021, Section 564, is
7 amended to read as follows:

8 Section 564. A. It shall be unlawful for any person, firm,
9 association, corporation or trust to engage in business as, or serve
10 in the capacity of, or act as a new motor vehicle dealer ~~or,~~
11 powersports vehicle dealer, manufacturer or distributor of new motor
12 vehicles or powersports vehicles, or factory branch, distributor
13 branch or factory representative or distributor representative, as
14 ~~such~~ defined in Section 562 of this title, in this state without
15 first obtaining a license therefor as provided for by law. Any
16 person, firm, association, corporation or trust engaging in more
17 than one of such capacities or having more than one place where such
18 business is carried on or conducted shall be required to obtain and
19 hold a current license for each thereof. Provided that, a new motor
20 vehicle dealer's license shall authorize one person to sell in the
21 event such person shall be the owner of a proprietorship, or the
22 person designated as principal in the dealer's franchise or the
23 managing officer or one partner if no principal person is named in
24 the franchise. It is further provided that a factory or an entity

1 affiliated by any ownership or control by the factory shall not be
2 permitted to be licensed as a new motor vehicle dealer in this
3 state, except as provided by subparagraph b of paragraph 12 of
4 Section 565 of this title.

5 B. Applications for licenses required to be obtained under
6 provisions of Section 561 et seq. of this title shall be verified by
7 the oath or affirmation of the applicant and shall be on forms
8 prescribed by the Oklahoma New Motor Vehicle Commission and
9 furnished to ~~such~~ the applicants, and shall contain ~~such~~ information
10 as the Commission deems necessary to enable it to fully determine
11 the qualifications and eligibility of the several applicants to
12 receive the license or licenses applied for. The Commission shall
13 require in such application, or otherwise, information relating to
14 the applicant's financial standing, the applicant's business
15 integrity, whether the applicant has an established place of
16 business and is primarily engaged in the pursuit, avocation or
17 business for which a license, or licenses, are applied for, and
18 whether the applicant is able to properly conduct the business for
19 which a license, or licenses, are applied for, and such other
20 pertinent information consistent with the safeguarding of the public
21 interest and the public welfare. All ~~such~~ applications for license
22 or licenses shall be accompanied by the appropriate fee or fees
23 therefor in accordance with the schedule thereof hereinafter set
24 out. In the event any such application is denied and the license

1 applied for is not issued, the entire license fee shall be returned
2 to the applicant. All licenses issued under the provisions of
3 Section 561 et seq. of this title shall expire on June 30, following
4 the date of issue and shall be nontransferable. All applications
5 for renewal of a license for a new motor vehicle dealer,
6 manufacturer, distributor or manufacturer's or distributor's
7 representative shall be submitted by June 1 of each year, and such
8 license or licenses will be issued by July 1. If applications have
9 not been made for renewal of licenses at the times described in this
10 subsection, it shall be illegal for any person to represent himself
11 or herself and act as a dealer, manufacturer, distributor or
12 manufacturer's or distributor's representative. Motor license
13 agents will be notified not to accept such dealers' titles until
14 such time as licenses have been issued by the Commission.

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

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

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

24

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

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

8 5. For each powersports vehicle dealer, initial fee of Three
9 Hundred Dollars (\$300.00) per manufacturer represented by the dealer
10 at each location licensed, with an annual renewal fee of One Hundred
11 Dollars (\$100.00) per manufacturer represented by the dealer at each
12 location licensed per year.

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

23 Every motor vehicle factory representative or distributor
24 representative if an individual shall physically possess the license

1 when engaged in business, and shall display ~~same~~ such upon request.
2 The name of the employer of such factory representative or
3 distributor representative shall be stated on the license and, in
4 case of a change of employer, the holder of such license shall
5 immediately mail ~~same~~ such to the Commission for its endorsement of
6 such change ~~thereon~~. The Commission shall endorse each such change
7 of employer on licenses for a fee of Ten Dollars (\$10.00).

8 E. The powersports dealer license shall only allow the sale of
9 the specific types of powersports vehicles authorized by the
10 manufacturer and agreed to by the powersports dealer.

11 SECTION 7. AMENDATORY 47 O.S. 2021, Section 564.1, is
12 amended to read as follows:

13 Section 564.1. ~~Licensing of off-premises displays of new motor~~
14 ~~vehicles and off-premise sales of new motorized recreational~~
15 ~~vehicles.~~

16 A. The Oklahoma New Motor Vehicle Commission shall provide for
17 off-premise displays of new motor vehicles by currently licensed new
18 motor vehicle dealers. An off-premise event may be held for display
19 purposes only under the following conditions:

- 20 1. The motor vehicles are for display purposes only and not for
21 sale at the off-premise display event;
- 22 2. No selling activities shall be conducted;
- 23 3. The display is in dealer's factory-approved area of sales
24 and service responsibility;

1 4. The dealer must obtain written approval from the
2 manufacturer or distributor; and

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

5 B. The ~~Oklahoma Motor Vehicle~~ Commission is authorized to
6 provide a variance to the distance requirements and the area of
7 sales and service responsibility requirements specified in this
8 section, for any off-premise display event if:

9 ~~1. The~~ the off-premise display is conducted within municipal,
10 county, or state-owned or controlled facilities or within the
11 grounds of any county, district, or state fair; ~~and~~

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

15 SECTION 8. AMENDATORY 47 O.S. 2021, Section 564.2, is
16 amended to read as follows:

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

1 administrative fine is to be borne by the employing entity of the
2 new salesperson. The Commission shall promulgate rules and
3 procedures necessary for the implementation and creation of the
4 registry and the issuance of certificates of registration.

5 SECTION 9. AMENDATORY 47 O.S. 2021, Section 565, as
6 amended by Section 3, Chapter 192, O.S.L. 2022 (47 O.S. Supp. 2022,
7 Section 565), is amended to read as follows:

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

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

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

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

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

3 5. Being a new motor vehicle dealer who:

4 a. has required a purchaser of a new motor vehicle, as a
5 condition of sale and delivery thereof, to also
6 purchase special features, appliances, accessories or
7 equipment not desired or requested by the purchaser
8 and installed by the new motor vehicle dealer,

9 b. uses any false or misleading advertising in connection
10 with business as a new motor vehicle dealer,

11 c. has committed any unlawful act which resulted in the
12 revocation of any similar license in another state,

13 d. has failed or refused to perform any written agreement
14 with any retail buyer involving the sale of a motor
15 vehicle,

16 e. has been convicted of a felony crime that
17 substantially relates to the occupation of a new motor
18 vehicle dealer and poses a reasonable threat to public
19 safety,

20 f. has committed a fraudulent act in selling, purchasing
21 or otherwise dealing in new motor vehicles or has
22 misrepresented the terms and conditions of a sale,
23 purchase or contract for sale or purchase of a new
24

1 motor vehicle or any interest therein including an
2 option to purchase such vehicle,

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

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

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

13 7. Being a new motor vehicle dealer who:

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

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

- 1 c. does not hold a franchise in effect with a
2 manufacturer or distributor of new or unused motor
3 vehicles for the sale of the same and is not
4 authorized by the manufacturer or distributor to
5 render predelivery preparation of such vehicles sold
6 to purchasers and to perform any authorized post-sale
7 work pursuant to the manufacturer's or distributor's
8 warranty,
- 9 d. employs a person without obtaining a certificate of
10 registration for the person, or utilizes the services
11 of used motor vehicle lots or dealers or other
12 unlicensed persons in connection with the sale of new
13 motor vehicles,
- 14 e. does not properly service a new motor vehicle before
15 delivery of same to the original purchaser thereof, or
- 16 f. fails to order and stock a reasonable number of new
17 motor vehicles necessary to meet ~~customer~~ consumer
18 demand for each of the new motor vehicles included in
19 the new motor vehicle dealer's franchise agreement,
20 unless the new motor vehicles are not readily
21 available from the manufacturer or distributor due to
22 limited production;

23 8. Being a factory that has:
24

1 a. either induced or attempted to induce by means of
2 coercion or intimidation, any new motor vehicle
3 dealer:

4 (1) to accept delivery of any motor vehicle or
5 vehicles, parts or accessories therefor, or any
6 other commodities including advertising material
7 which shall not have been ordered by the new
8 motor vehicle dealer,

9 (2) to order or accept delivery of any motor vehicle
10 with special features, appliances, accessories or
11 equipment not included in the list price of the
12 motor vehicles as publicly advertised by the
13 manufacturer thereof, or

14 (3) to order or accept delivery of any parts,
15 accessories, equipment, machinery, tools,
16 appliances or any commodity whatsoever, or

17 b. induced under threat or discrimination by the
18 withholding from delivery to a new motor vehicle
19 dealer certain models of motor vehicles, changing or
20 amending unilaterally the new motor vehicle dealer's
21 allotment of motor vehicles and/or withholding and
22 delaying delivery of ~~such~~ the vehicles out of the
23 ordinary course of business, in order to induce by
24 such coercion any ~~such~~ new motor vehicle dealer to

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

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

20 d. used a performance standard for measuring sales or
21 service performance of any new motor vehicle dealer
22 under the terms of the franchise agreement which:
23 (1) is unfair, unreasonable, arbitrary or
24 inequitable; and

1 (2) does not consider the relevant and material local
2 and state or regional criteria, including
3 prevailing economic conditions affecting the
4 sales or service performance of a vehicle dealer
5 or any relevant and material data and facts
6 presented by the dealer in writing within thirty
7 (30) days of the written notice of the
8 manufacturer to the dealer of its intention to
9 cancel, terminate, or not renew the dealer's
10 franchise agreement,

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

19 f. failed to provide reasonable compensation to a new
20 motor vehicle dealer substantially equivalent to the
21 actual cost of providing a manufacturer-required
22 loaner or rental vehicle to any consumer who is having
23 a vehicle serviced at the dealership. For purposes of
24 this paragraph, actual cost is the average cost in the

1 new motor vehicle dealer's region for the rental of a
2 substantially similar make and model as the vehicle
3 being serviced, or

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

12 9. Being a factory that:

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

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

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

1 rate by dividing the amount of the new motor vehicle
2 dealer's total labor sales from the qualified repair
3 orders by the total labor hours charged for those
4 sales. When submitting repair orders to ~~calculate~~
5 establish a retail parts and labor rate, a new motor
6 vehicle dealer need not include ~~repair orders~~ repairs
7 for:

- 8 (1) routine maintenance including, but not limited
9 to, the replacement of bulbs, fluids, filters,
10 batteries, and belts that are not provided in the
11 course of and related to a repair,
- 12 (2) factory special events, specials, or promotional
13 discounts for retail consumer repairs,
- 14 (3) parts sold or repairs performed at wholesale,
- 15 (4) factory-approved goodwill or policy repairs or
16 replacements,
- 17 (5) repairs with aftermarket parts, when calculating
18 the retail parts rate but not the retail labor
19 rate,
- 20 (6) repairs on aftermarket parts,
- 21 (7) replacement of or work on tires including front-
22 end alignments and wheel or tire rotations,
- 23
24

1 (8) repairs of motor vehicles owned by the new motor
2 vehicle dealer or employee thereof at the time of
3 the repair,

4 (9) vehicle reconditioning, or

5 (10) items that do not have individual part numbers
6 including, but not limited to, nuts, bolts and
7 fasteners.

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

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

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

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

1 for dealer compensation or any charge-backs for consumer or
2 dealer incentives. Except in cases of suspected fraud,
3 audits of incentive payments shall only be for a one-year
4 period immediately following the date of the payment. A
5 factory shall not deny a claim or charge a new motor
6 vehicle dealer back subsequent to the payment of the claim
7 unless the factory can show that the claim was false or
8 fraudulent or that the new motor vehicle dealer failed to
9 reasonably substantiate the claim by the written reasonable
10 procedures of the factory. A factory shall not deny a
11 claim or implement a charge-back against a new motor
12 vehicle dealer after payment of a claim in the event a
13 purchaser of a new vehicle that is the subject of a claim
14 fails to comply with titling or registration laws of this
15 state and is not prevented from compliance by any action of
16 the new motor vehicle dealer; provided, that the factory
17 may require the new motor vehicle dealer to provide, within
18 thirty (30) days of notice of chargeback, withholding of
19 payment, or denial of claim, the documentation to
20 demonstrate the vehicle sale, delivery and customer
21 qualification for an incentive as reported, including
22 consumer name and address, and written attestation signed
23 by the dealer operator or general manager stating the
24 consumer was not on the export control list and the dealer

1 did not know or have reason to know the vehicle was being
2 exported or resold.

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

16 c. fails to compensate the new motor vehicle dealer for a
17 used motor vehicle:

18 (1) that is of the same make and model manufactured,
19 imported or distributed by the factory and is a
20 line-make that the new motor vehicle dealer is
21 franchised to sell or on which the new motor
22 vehicle dealer is authorized to perform recall
23 repairs,

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

4 (3) that is held by the new motor vehicle dealer in
5 the dealer's inventory at the time the stop-sale
6 or do-not-drive order is issued or that is taken
7 by the new motor vehicle dealer into the dealer's
8 inventory after the recall notice as a result of
9 a retail consumer trade-in or a lease return to
10 the dealer inventory in accordance with an
11 applicable lease contract,

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

17 (5) that is not at least in the prorated amount of
18 one percent (1.00%) of the value of the vehicle
19 per month beginning on the date that is thirty
20 (30) days after the date on which the stop-sale
21 order was provided to the new motor vehicle
22 dealer until the earlier of either of the
23 following:

- 1 (a) the date the recall remedy or parts are made
2 available, or
3 (b) the date the new motor vehicle dealer sells,
4 trades, or otherwise disposes of the
5 affected used motor vehicle.

6 For the purposes of division (5) of this subparagraph, the value
7 of a used vehicle shall be the average Black Book value for the
8 year, make, and model of the recalled vehicle.

9 A factory may direct the manner and method in which a new motor
10 vehicle dealer must demonstrate the inventory status of an affected
11 used motor vehicle to determine eligibility under this subparagraph;
12 provided, that the manner and method may not be unduly burdensome
13 and may not require information that is unduly burdensome to
14 provide.

15 All reimbursement claims made by new motor vehicle dealers
16 pursuant to this section for recall remedies or repairs, or for
17 compensation where no part or repair is reasonably available and the
18 vehicle is subject to a stop-sale or do-not-drive order, shall be
19 subject to the same limitations and requirements as a warranty
20 reimbursement claim made under subparagraph b of this paragraph. In
21 the alternative, a manufacturer may compensate its franchised new
22 motor vehicle dealers under a national recall compensation program;
23 provided, the compensation under the program is equal to or greater
24

1 than that provided under division (5) of this subparagraph, or as
2 the manufacturer and new motor vehicle dealer otherwise agree.

3 Nothing in this section shall require a factory to provide total
4 compensation to a new motor vehicle dealer which would exceed the
5 total average Black Book value of the affected used motor vehicle as
6 originally determined under division (5) of this subparagraph.

7 Any remedy provided to a new motor vehicle dealer under this
8 subparagraph is exclusive and may not be combined with any other
9 state or federal compensation remedy.

10 d. unreasonably fails or refuses to offer to its same
11 line-make franchised dealers a reasonable supply and
12 mix of all models manufactured for that line-make, or
13 unreasonably requires a dealer to pay any extra fee,
14 purchase unreasonable advertising displays or other
15 materials, or enter into a separate agreement which
16 adversely alters the rights or obligations contained
17 within the new motor vehicle dealer's existing
18 franchise agreement or which waives any right of the
19 new motor vehicle dealer as protected by Section 561
20 et seq. of this title, or remodel, renovate, or
21 recondition the new motor vehicle dealer's existing
22 facilities as a prerequisite to receiving a model or
23 series of vehicles, except as may be necessary to sell
24 or service the model or series of vehicles as provided

1 by subparagraph e of this paragraph. It shall be a
2 violation of this section for new vehicle allocation
3 to be withheld subject to any requirement to purchase
4 or sell any number of used or off-lease vehicles. The
5 failure to deliver any such new motor vehicle shall
6 not be considered a violation of the section if the
7 failure is not arbitrary or is due to lack of
8 manufacturing capacity or to a strike or labor
9 difficulty, a shortage of materials, a freight embargo
10 or other cause over which the manufacturer has no
11 control. However, this subparagraph shall not apply
12 to recreational vehicles, ~~or~~ limited production model
13 vehicles, a vehicle not advertised by the factory for
14 sale in this state, vehicles that are subject to
15 allocation affected by federal or state environmental
16 laws, or to vehicles allocated in response to an
17 unforeseen event or circumstance,

18 ~~d.~~

19 e. except as necessary to comply with a health or safety
20 law, or to comply with a technology requirement which
21 is necessary to sell or service a motor vehicle that
22 the franchised new motor vehicle dealer is authorized
23 or licensed by the franchisor to sell or service,
24 requires a new motor vehicle dealer to construct a new

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

1 or premises has been constructed or substantially
2 altered within the last ten (10) years and the
3 construction or alteration was approved by the
4 manufacturer as a part of a facility upgrade program,
5 standard, or policy. For purposes of this
6 subparagraph, "substantially altered" means to perform
7 an alteration that substantially impacts the
8 architectural features, characteristics, or integrity
9 of a structure or lot. The term shall not include
10 routine maintenance reasonably necessary to maintain a
11 dealership in attractive condition. If a facility
12 upgrade program, standard, or policy under which the
13 dealer completed a facility construction or
14 substantial alteration does not contain a specific
15 time period during which the manufacturer or
16 distributor shall provide payments or benefits to a
17 participating dealer, or the time frame specified
18 under the program is reduced or cancelled prematurely
19 in the unilateral discretion of the manufacturer or
20 distributor, the manufacturer or distributor shall not
21 deny the participating dealer any payment or benefit
22 under the terms of the program, standard, or policy as
23 it existed when the dealer began to perform under the
24 program, standard, or policy for the balance of the

1 ten-year period, regardless of whether the
2 manufacturer's or distributor's program, standard, or
3 policy has been changed or canceled, unless the
4 manufacturer and dealer agree, in writing, to the
5 change in payment or benefit,

6 ~~e.~~

7 f. requires a new motor vehicle dealer to establish an
8 exclusive facility, unless supported by reasonable
9 business, market and economic considerations;
10 provided, that this ~~provision~~ section shall not
11 restrict the terms of any agreement for such exclusive
12 facility voluntarily entered into and supported by
13 valuable consideration separate from the new motor
14 vehicle dealer's right to sell and service motor
15 vehicles for the franchisor,

16 ~~f.~~

17 g. requires a new motor vehicle dealer to enter into a
18 site-control agreement covering any or all of the new
19 motor vehicle dealer's facilities or premises;
20 provided, that this ~~provision~~ section shall not
21 restrict the terms of any site-control agreement
22 voluntarily entered into and supported by valuable
23 consideration separate from the new motor vehicle
24 dealer's right to sell and service motor vehicles for

1 the franchisor. Notwithstanding the foregoing or the
2 terms of any site-control agreement, a site-control
3 agreement automatically extinguishes if all of the
4 factory's franchises that operated from the location
5 that are the subject of the site-control agreement are
6 terminated by the factory as part of the
7 discontinuance of a product line, ~~or~~

8 ~~g.~~

9 h. refuses to pay, or claims reimbursement from, a new
10 motor vehicle dealer for sales, incentives or other
11 payments related to a motor vehicle sold by the new
12 motor vehicle dealer because the purchaser of the
13 motor vehicle exported or resold the motor vehicle in
14 violation of the policy of the factory unless the
15 factory can show that, at the time of the sale, the
16 new motor vehicle dealer knew or reasonably should
17 have known of the purchaser's intention to export or
18 resell the motor vehicle. There is a rebuttable
19 presumption that the new motor vehicle dealer did not
20 know or could not have known that the vehicle would be
21 exported if the vehicle is titled and registered in
22 any state of the United States, or

23 i. requires a new motor vehicle dealer to purchase goods
24 or services for the construction, renovation, or

1 improvement of the dealer's facility from a vendor
2 chosen by the factory if goods or services available
3 from other sources are of substantially similar
4 quality and design and comply with all applicable
5 laws; provided, however, that such goods are not
6 subject to the factory's intellectual property or
7 trademark rights and the new motor vehicle dealer has
8 received the factory's approval, which approval may
9 not be unreasonably withheld. Nothing in this
10 subparagraph may be construed to allow a new motor
11 vehicle dealer to impair or eliminate a factory's
12 intellectual property, trademark rights or trade dress
13 usage guidelines. Nothing in this section prohibits
14 the enforcement of a voluntary agreement between the
15 factory and the new motor vehicle dealer where
16 separate and valuable consideration has been offered
17 and accepted;

18 10. Being a factory that:

- 19 a. establishes a system of motor vehicle allocation or
20 distribution which is unfair, inequitable or
21 unreasonably discriminatory. Upon the request of any
22 new motor vehicle dealer franchised by it, a factory
23 shall disclose in writing to the new motor vehicle
24 dealer the basis upon which new motor vehicles are

1 allocated, scheduled and delivered among the new motor
2 vehicle dealers of the same line-make for that
3 factory, or

4 b. changes an established plan or system of motor vehicle
5 distribution. A new motor vehicle dealer franchise
6 agreement shall continue in full force and operation
7 notwithstanding a change, in whole or in part, of an
8 established plan or system of distribution of the
9 motor vehicles offered or previously offered for sale
10 under such franchise agreement. The appointment of a
11 new importer or distributor for motor vehicles offered
12 for sale under such franchise agreement shall be
13 deemed to be a change of an established plan or system
14 of distribution. The discontinuation of a line-make
15 shall not be deemed to be a change of an established
16 plan or system of motor vehicle distribution. The
17 creation of a line-make shall not be deemed to be a
18 change of an established plan or system of motor
19 vehicle distribution as long as the new line-make is
20 not selling the same, or substantially the same
21 vehicle or vehicles previously sold through another
22 line-make by new motor vehicle dealers with an active
23 franchise agreement for the other line-make in the
24 state if such new motor vehicle dealers are no longer

1 authorized to sell the comparable vehicle previously
2 sold through their line-make. Changing a vehicle's
3 powertrain is not sufficient to show it is
4 substantially different. Upon the occurrence of such
5 change, the manufacturer or distributor shall be
6 prohibited from obtaining a license to distribute
7 vehicles under the new plan or system of distribution
8 unless the manufacturer or distributor offers to each
9 new motor vehicle dealer who is a party to the
10 franchise agreement a new franchise agreement
11 containing substantially the same provisions which
12 were contained in the previous franchise agreement;

13 11. Being a factory that sells directly or indirectly new motor
14 vehicles to any retail consumer in the state except through a new
15 motor vehicle dealer holding a franchise for the line-make that
16 includes the new motor vehicle. This paragraph does not apply to
17 factory sales of new motor vehicles to its employees, family members
18 of employees, retirees and family members of retirees, not-for-
19 profit organizations, or the federal, state, or local governments.
20 The provisions of this paragraph shall not preclude a factory from
21 providing information to a consumer for the purpose of marketing or
22 facilitating a sale of a new motor vehicle or from establishing a
23 program to sell or offer to sell new motor vehicles through
24

1 participating dealers subject to the limitations provided in
2 paragraph 2 of Section 562 of this title;

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

- 4 (1) owns any ownership interest or has any financial
5 interest in a new motor vehicle dealer or any
6 person who sells products or services pursuant to
7 the ~~public~~ terms of the franchise agreement,
8 (2) operates or controls a new motor vehicle dealer,
9 or
10 (3) acts in the capacity of a new motor vehicle
11 dealer.

12 b. (1) This paragraph does not prohibit a factory from
13 owning or controlling a new motor vehicle dealer while
14 in a bona fide relationship with a dealer development
15 candidate who has made a substantial initial
16 investment in the franchise and whose initial
17 investment is subject to potential loss. The dealer
18 development candidate can reasonably expect to acquire
19 full ownership of a new motor vehicle dealer within a
20 reasonable period of time not to exceed ten (10) years
21 and on reasonable terms and conditions. The ten-year
22 acquisition period may be expanded for good cause
23 shown.

24

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

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

18 (4) This paragraph does not prohibit a factory from
19 owning, directly or indirectly, a minority
20 interest in an entity that owns, operates or
21 controls new motor vehicle dealerships of the
22 same line-make franchised by the manufacturer,
23 provided that each of the following conditions
24 are met:

- 1 (a) all of the new motor vehicle dealerships
2 selling the motor vehicles of that
3 manufacturer in this state trade exclusively
4 in the line-make of that manufacturer,
- 5 (b) all of the franchise agreements of the
6 manufacturer confer rights on the dealer of
7 the line-make to develop and operate, within
8 a defined geographic territory or area, as
9 many dealership facilities as the dealer and
10 manufacturer shall agree are appropriate,
- 11 (c) at the time the manufacturer first acquires
12 an ownership interest or assumes operation,
13 the distance between any dealership thus
14 owned or operated and the nearest
15 unaffiliated new motor vehicle dealership
16 trading in the same line-make is not less
17 than seventy (70) miles,
- 18 (d) during any period in which the manufacturer
19 has such an ownership interest, the
20 manufacturer has no more than three
21 franchise agreements with new motor vehicle
22 dealers licensed by the Oklahoma Motor
23 Vehicle Commission to do business within the
24 state, and

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

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

17 Proprietary information includes, but is not limited to,
18 information:

- 19 a. derived from monthly financial statements provided to
20 the factory, and
- 21 b. regarding any aspect of the profitability of a
22 particular new motor vehicle dealer;

23 14. Being a factory which does not provide or direct leads in a
24 fair, equitable and timely manner. Nothing in this paragraph shall

1 be construed to require a factory to disregard the preference of a
2 consumer in providing or directing a lead;

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

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

9 a. the facility and the proposed new location satisfies
10 or meets the written reasonable guidelines of the
11 factory. Reasonable guidelines do not include
12 exclusivity or site control unless agreed to as set
13 forth in subparagraphs e f and g of paragraph 9 of
14 this subsection,

15 b. the proposed new location is within the area of
16 responsibility of the new motor vehicle dealer
17 pursuant to Section 578.1 of this title, and

18 c. the factory has sixty (60) days from receipt of the
19 new motor vehicle dealer's relocation request to
20 approve or deny the request. The failure to approve
21 or deny the request within the sixty-day time frame
22 shall constitute approval of the request;

23 17. Being a factory which prohibits a new motor vehicle dealer
24 from adding additional line-makes to its existing facility, if,

1 after adding the additional line-makes, the facility satisfies the
2 written reasonable capitalization standards and facility guidelines
3 of each factory. Reasonable facility guidelines do not include a
4 requirement to maintain exclusivity or site control unless agreed to
5 by the dealer as set forth in subparagraphs e f and f g of paragraph
6 9 of this subsection;

7 18. Being a factory that increases prices of new motor vehicles
8 which the new motor vehicle dealer had ordered for retail consumers
9 and notified the factory prior to the new motor vehicle dealer's
10 receipt of the written official price increase notification. A
11 sales contract signed by a retail consumer accompanied with proof of
12 order submission to the factory shall constitute evidence of each
13 such order, provided that the vehicle is in fact delivered to the
14 ~~customer~~ consumer. Price differences applicable to new models or
15 series motor vehicles at the time of the introduction of new models
16 or series shall not be considered a price increase for purposes of
17 this paragraph. Price changes caused by any of the following shall
18 not be subject to the provisions of this paragraph:

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

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

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

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

- 16 a. by an act or statement from the factory that will in
17 any manner adversely impact the new motor vehicle
18 dealer,
- 19 b. by measuring the new motor vehicle dealer's
20 performance under the franchise based on the sale of
21 extended service contracts, extended maintenance plans
22 or similar products offered, endorsed or sponsored by
23 the manufacturer or distributor.

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

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

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

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

23 4. The factory agrees to pay the reasonable expenses, including
24 attorney fees which do not exceed the usual, customary and

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

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

14 1. Business activities, including without limitation the
15 dealings with motor vehicle manufacturers and the representatives
16 and affiliates of motor vehicle manufacturers, of any person that is
17 primarily engaged in the business of short-term, not to exceed
18 twelve (12) months, rental of motor vehicles and industrial and
19 construction equipment and activities incidental to that business,
20 provided that:

21 a. any motor vehicle sold by that person is limited to
22 used motor vehicles that have been previously used
23 exclusively and regularly by that person in the
24

1 conduct of business and used motor vehicles traded in
2 on motor vehicles sold by that person,

3 b. warranty repairs performed by that person on motor
4 vehicles are limited to those motor vehicles that ~~it~~
5 the person owns, previously owned or takes in trade,
6 and

7 c. motor vehicle financing provided by that person to
8 retail consumers for motor vehicles is limited to used
9 vehicles sold by that person in the conduct of
10 business; or

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

13 D. As used in this section:

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

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

22 E. Nothing in this section shall prohibit a manufacturer or
23 distributor from requiring a dealer to be in compliance with the
24 franchise agreement and authorized to sell a make and model based on

1 applicable reasonable standards and requirements that include, but
2 are not limited to, any facility, technology, or training
3 requirements necessary to sell or service such vehicle, in order to
4 be eligible for delivery or allotment of a make or model of a new
5 motor vehicle or an incentive.

6 SECTION 10. AMENDATORY 47 O.S. 2021, Section 565.1, is
7 amended to read as follows:

8 Section 565.1 A. For the purposes of this section, "designated
9 successor" means a person who the new motor vehicle dealer has
10 designated to take over operation of the dealership or a legal heir
11 or devisee under the will of a new motor vehicle dealer or under the
12 laws of descent and distribution of this state.

13 B. Notwithstanding the terms of any franchise agreement, and
14 subject to the following conditions contained in paragraphs 1
15 through 5 of this ~~section~~ subsection, any manufacturer or
16 distributor who prevents or refuses to honor the succession to the
17 operation of a dealership by ~~any legal heir or devisee under the~~
18 ~~will of a new motor vehicle dealer or under the laws of descent and~~
19 ~~distribution of this state,~~ a designated successor, without good
20 cause or good faith, as defined in this section, shall be subject to
21 the following procedure:

22 1. Within one hundred twenty (120) days after the death or
23 departure of the new motor vehicle dealer, the manufacturer shall
24 receive a written notice from ~~any legal heir or devisee~~ the

1 dealership of the designated successor who intends to ~~establish a~~
2 become the successor dealership operator. If timely notice is not
3 so received, ~~then~~ this paragraph shall not apply, and any succession
4 shall be governed solely by the terms of the franchise;

5 2. Within thirty (30) days of receipt of the ~~legal heir's or~~
6 ~~devisee's~~ dealership's timely written notice, the manufacturer may
7 request, and the ~~legal heir or devisee~~ designated successor shall,
8 within a reasonable time, provide any information which is
9 reasonably necessary for the manufacturer to evaluate the ~~proposed~~
10 designated successor dealer and dealership, including, ~~but not~~
11 ~~limited to,~~ applications, ~~proposals for facilities and financing;~~

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

17 4. Failure of the manufacturer to act in a timely manner with
18 respect to any time period described above shall constitute a waiver
19 of the manufacturer's right to disapprove the proposed succession;
20 and

21 5. Within ten (10) days of ~~its~~ the dealership's receipt of the
22 manufacturer's notice of disapproval, the ~~legal heir or devisee~~
23 dealership may file a protest of the manufacturer's decision with
24 the Oklahoma New Motor Vehicle Commission and request a hearing.

1 Such hearing shall be heard in a substantially similar manner as
2 provided by Section 566 of this title, except that the Commission
3 shall render a final decision within sixty (60) days of the filing
4 of the protest. The manufacturer shall have the burden of proof to
5 show that its disapproval was for a good cause and in good faith. A
6 denial shall not be for good cause and in good faith unless the
7 factory establishes that the ~~legal heir or devisee, or the legal~~
8 ~~heir or devisee's controlling executive management,~~ designated
9 successor is not of good moral character or fails to meet the
10 written, reasonable and uniformly applied requirements of the
11 manufacturer or distributor relating to financial qualifications,
12 general business experience, and other requirements relating to
13 prospective franchisees. However, a ~~legal heir that~~ designated
14 successor who is a family member and who is of good moral character
15 in accordance with ~~the factory's~~ reasonable factory qualifications
16 and meets the factory's financial qualifications may rely on
17 controlling executive management that is of good moral character and
18 meets the factory's qualifications for general business experience
19 ~~and other requirements relating to prospective franchises.~~ Any
20 denial of the designated successor based upon a failure to agree to
21 terms other than those contained in the existing franchise
22 agreement, related addendums and agreements, and any written notice
23 provided to the existing dealer prior to the manufacturer's or
24 distributor's receipt of any written notice from the existing dealer

1 of the proposed transfer shall not be considered good cause for such
2 denial. However, any proposed change to the franchise pursuant to
3 written notice from the manufacturer or distributor, to be valid,
4 shall be in compliance with existing law. The disapproval by the
5 manufacturer shall be final if the ~~legal heir or devisee~~ dealership
6 fails to file a timely protest of ~~such~~ the disapproval. In the
7 event that the Commission finds that the manufacturer's disapproval
8 was not made for good cause, then it shall issue a final order
9 requiring the manufacturer to honor the successor designated in the
10 notice sent by the ~~legal heir or devisee~~ dealership.

11 Notwithstanding anything to the contrary in this section, a new
12 motor vehicle dealer may designate any person as successor by filing
13 a written instrument pursuant to the franchise with the manufacturer
14 during the new motor vehicle dealer's lifetime. In such a case, the
15 written instrument and franchise shall govern the dealership
16 succession.

17 The suspension, revocation or refusal to issue or renew a
18 license or the imposition of any other penalty by the Commission
19 shall be in addition to any penalty which might be imposed upon any
20 licensee upon judgment or conviction in a court of competent
21 jurisdiction for any violation of the provisions of Sections 561
22 through 567, 572, 578.1, 579 and 579.1 of this title.

23 SECTION 11. AMENDATORY 47 O.S. 2021, Section 565.2, is
24 amended to read as follows:

1 Section 565.2 A. Irrespective of the terms, provisions or
2 conditions of any franchise, or the terms or provisions of any
3 waiver, no manufacturer shall terminate, cancel or fail to renew any
4 franchise with a licensed new motor vehicle dealer unless the
5 manufacturer has satisfied the notice requirements as provided in
6 this section and has good cause for cancellation, termination or
7 nonrenewal. The manufacturer shall not attempt to cancel or fail to
8 renew the franchise agreement of a new motor vehicle dealer in this
9 state unfairly and without just provocation or without due regard to
10 the equities of the dealer or without good faith as defined herein.
11 As used herein, "good faith" means the duty of each party to any
12 franchise agreement to act in a fair and equitable manner toward
13 each other, with freedom from coercion or intimidation or threats
14 thereof from each other.

15 B. Irrespective of the terms, provisions or conditions of any
16 franchise, or the terms or provisions of any waiver, good cause
17 shall exist for the purpose of a termination, cancellation, or
18 nonrenewal when:

19 1. The new motor vehicle dealer has failed to comply with a
20 provision of the franchise, which provision is both reasonable and
21 of material significance to the franchise relationship, or the new
22 motor vehicle dealer has failed to comply with reasonable
23 performance criteria for sales or service established by the
24

1 manufacturer, and the new motor vehicle dealer has been notified by
2 written notice from the manufacturer; and

3 2. The new motor vehicle dealer has received written
4 notification of failure to comply with the manufacturer's reasonable
5 sales performance standards, capitalization requirements, facility
6 commitments, business-related equipment acquisitions or other such
7 remediable failings exclusive of those reasons enumerated in
8 paragraph 1 of subsection C of this section, and the new motor
9 vehicle dealer has been afforded a reasonable opportunity of not
10 less than six (6) months to comply with such a provision or
11 criteria.

12 C. Irrespective of the terms, provisions or conditions of any
13 franchise agreement prior to the termination, cancellation or
14 nonrenewal of any franchise, the manufacturer shall furnish
15 notification of such termination, cancellation or nonrenewal to the
16 new motor vehicle dealer and the Oklahoma New Motor Vehicle
17 Commission as follows:

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

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

24

1 a. insolvency of the new motor vehicle dealer, or the
2 filing of any petition by or against the new motor
3 vehicle dealer under any bankruptcy or receivership
4 law,

5 b. failure of the new motor vehicle dealer to conduct its
6 customary sales and service operations during its
7 customary business hours for seven (7) consecutive
8 business days, provided that such failure to conduct
9 business shall not be due to an act of God or
10 circumstances beyond the direct control of the new
11 motor vehicle dealer, or

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

15 3. Not less than one hundred eighty (180) days prior to the
16 effective date of ~~such~~ the termination or cancellation where the
17 manufacturer or distributor is discontinuing the sale of the product
18 line.

19 The notification required by this subsection shall be by
20 certified mail, return receipt requested, and shall contain a
21 statement of intent to terminate, to cancel or to not renew the
22 franchise, a statement of the reasons for the termination,
23 cancellation or nonrenewal and the date the termination shall take
24 effect.

1 D. Upon the affected new motor vehicle dealer's receipt of the
2 aforementioned notice of termination, cancellation or nonrenewal,
3 the new motor vehicle dealer shall have the right to file a protest
4 of such threatened termination, cancellation or nonrenewal with the
5 Commission within thirty (30) days and request a hearing. Such
6 hearing shall be held within one hundred eighty days (180) of the
7 date of the dealer's timely protest in accordance with the
8 provisions of the Administrative Procedures Act, Sections ~~304~~ 250
9 through ~~326~~ 323 of Title 75 of the Oklahoma Statutes, to determine
10 if the threatened cancellation, termination or nonrenewal of the
11 franchise has been for good cause and if the factory has complied
12 with its obligations pursuant to subsections A, B and C of this
13 section and the factory shall have the burden of proof. Either
14 party may request an additional one-hundred-eighty-day extension
15 from the Commission. Approval of the requested extension may not be
16 unreasonably withheld or delayed. If the Commission finds that the
17 threatened cancellation, termination or nonrenewal of the franchise
18 has not been for good cause or violates subsection A, B or C of this
19 section, then it shall issue a final order stating that the
20 threatened termination is wrongful. A factory shall have the right
21 to appeal such order. During the pendency of the hearing and after
22 the decision, the franchise shall remain in full force and effect,
23 including the right to transfer the franchise. If the Commission
24 finds that the threatened cancellation, termination or nonrenewal is

1 for good cause and does not violate subsection A, B or C of this
2 section, the new motor vehicle dealer shall have the right to an
3 appeal. During the pendency of the action, including the final
4 decision or appeal, the franchise shall remain in full force and
5 effect, including the right to transfer the franchise. If the new
6 motor vehicle dealer prevails in the threatened termination action,
7 the Commission shall award to the new motor vehicle dealer the
8 attorney fees and costs incurred to defend the action.

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

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

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

20 3. Equipment and furnishings, provided the new motor vehicle
21 dealer purchased them from the manufacturer or its approved sources;
22 and

23 4. Special tools, with such fair and reasonable compensation to
24 be paid by the manufacturer within ninety (90) days of the effective

1 date of the termination, cancellation or nonrenewal, provided the
2 new motor vehicle dealer has clear title to the inventory and other
3 items and is in a position to convey that title to the manufacturer.

4 a. For the purposes of paragraph 1 of this subsection,
5 fair and reasonable compensation shall be no less than
6 the net acquisition price of the vehicle paid by the
7 new motor vehicle dealer.

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

15 F. If a factory prevails in an action to terminate, cancel or
16 not renew any franchise and the new motor vehicle dealer is leasing
17 the dealership facilities, the manufacturer shall pay a reasonable
18 rent to the lessor in accordance with and subject to the provisions
19 of subsection G of this section. Nothing in this section shall be
20 construed to relieve a new motor vehicle dealer of its duty to
21 mitigate damages.

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

- a. used solely for performance in accordance with the franchise. If the facility is used for the operation of more than one franchise, the reasonable rent shall be paid based upon the portion of the facility utilized by the franchise being terminated, canceled or nonrenewed, and
- b. not substantially in excess of facilities recommended by the manufacturer.

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

- a. locate a qualified purchaser who will offer to purchase the dealership facilities at a reasonable price,
- b. locate a qualified lessee who will offer to lease the premises for the remaining lease term at the rent set forth in the lease, or
- c. failing the foregoing, lease the dealership facilities at a reasonable rental value for the portion of the facility that is recognized in the franchise agreement for one (1) year.

3. If the facilities are leased by the new motor vehicle dealer, within ninety (90) days following the effective date of the

1 termination, cancellation or nonrenewal the manufacturer will
2 either:

- 3 a. locate a tenant or tenants satisfactory to the lessor,
4 who will sublet or assume the balance of the lease,
- 5 b. arrange with the lessor for the cancellation of the
6 lease without penalty to the new motor vehicle dealer,
7 or
- 8 c. failing the foregoing, lease the dealership facilities
9 at a reasonable rent for the portion of the facility
10 that is recognized in the franchise agreement for one
11 (1) year.

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

- 14 a. fails to accept a bona fide offer from a prospective
15 purchaser, ~~subleases~~ sublessee or assignee,
- 16 b. refuses to execute a settlement agreement with the
17 lessor if such agreement with the lessor would be
18 without cost to the new motor vehicle dealer, or
- 19 c. fails to make written request for assistance under
20 this section within ninety (90) days after the
21 effective date of the termination, cancellation or
22 nonrenewal.

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

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

23 SECTION 12. AMENDATORY 47 O.S. 2021, Section 565.3, is
24 amended to read as follows:

1 Section 565.3 A. A franchised vehicle dealer proposing a sale,
2 transfer, or assignment of a franchise agreement or the business and
3 assets of a dealership or an interest in a dealership to another
4 person, hereinafter transferee, shall notify the manufacturer or
5 distributor whose vehicles the dealer is franchised to sell of the
6 proposed action of the dealer. The manufacturer or distributor may
7 make written request to the proposed transferee to submit completed
8 application forms and related information generally utilized by a
9 manufacturer to evaluate such a proposal and a copy of all
10 agreements related to the proposed sale, transfer, or assignment.

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

1 written notice from the manufacturer or distributor shall be in
2 compliance with existing law. The burden of proof shall be upon the
3 manufacturer or distributor to show good cause existed to withhold
4 approval. The manufacturer or distributor that has made such a
5 determination shall send a letter by certified mail to the dealer
6 and the applicant of its refusal to approve the proposal, which
7 shall include a statement of the specific grounds for refusal,
8 within sixty (60) days after the later of:

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

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

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

20 D. If the proposed sale, transfer, or assignment is to an
21 existing owner's family member or other existing owner, the
22 manufacturer or distributor's evaluation of the proposal is limited
23 to the written, reasonable, and uniformly applied requirements of
24 the manufacturer or distributor relating to good moral character and

1 financial qualifications. Notwithstanding the foregoing, a change
2 in dealer operator shall be addressed pursuant to the provisions of
3 Section 565.1 of this title.

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

21 F. Notwithstanding any other provision of this section, the
22 dealer shall submit a signed copy of the Dealer Sales and Service
23 Agreement resulting from any completed sale, transfer, or assignment
24

1 of a franchise to the Oklahoma New Motor Vehicle Commission within
2 fifteen (15) business days.

3 SECTION 13. AMENDATORY 47 O.S. 2021, Section 566, is
4 amended to read as follows:

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

1 subpoena and bring before it any person, or take testimony of any
2 such person by deposition, with the same fees and mileage and in the
3 same manner as prescribed in proceedings before courts of the state
4 in civil cases. Any party to such hearing shall have the right to
5 the attendance of witnesses in his behalf upon designating to the
6 Commission the person or persons sought to be subpoenaed.

7 SECTION 14. AMENDATORY 47 O.S. 2021, Section 566.1, is
8 amended to read as follows:

9 Section 566.1 All rulings, orders, decisions, procedures or
10 acts of the Oklahoma New Motor Vehicle Commission shall be subject
11 to the provisions of the Administrative Procedures Act, Sections 301
12 through 326 of Title 75 of the Oklahoma Statutes.

13 SECTION 15. AMENDATORY 47 O.S. 2021, Section 567, is
14 amended to read as follows:

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

24

1 SECTION 16. AMENDATORY 47 O.S. 2021, Section 576, is
2 amended to read as follows:

3 Section 576. There is hereby created a petty cash fund not to
4 exceed One Hundred Dollars (\$100.00) for the Oklahoma New Motor
5 Vehicle Commission, which may be expended for small authorized
6 expenses of the Commission.

7 SECTION 17. AMENDATORY 47 O.S. 2021, Section 578.1, is
8 amended to read as follows:

9 Section 578.1 A. Notwithstanding the terms of a franchise and
10 notwithstanding the terms of a waiver, if a factory intends or
11 proposes to enter into a franchise to establish an additional new
12 motor vehicle dealer or to relocate an existing new motor vehicle
13 dealer within or into a relevant market area in which the same line-
14 make of motor vehicle is currently represented, the factory shall
15 provide at least sixty (60) days advance written notice to the
16 Commission and to each new motor vehicle dealer of the same line-
17 make in the relevant market area, of the intention of the factory to
18 establish an additional new motor vehicle dealer or to relocate an
19 existing new motor vehicle dealer within or into the relevant market
20 area. For purposes of this section, the "relevant market area"
21 means the area within a radius of fifteen (15) miles ~~of~~ around the
22 site of the proposed new motor vehicle dealership measured from the
23 property boundary of the primary dealership property. The notice
24

1 shall be sent by certified mail to each party and shall include the
2 following information:

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

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

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

12 4. The names and addresses of the person intended to be
13 franchised as the proposed additional or relocated new motor vehicle
14 dealership, the principal investors in the proposed additional or
15 relocated new motor vehicle dealership, and the proposed dealer
16 operator of the proposed additional or relocated new motor vehicle
17 dealership; and

18 5. The specific grounds or reasons for the proposed
19 establishment of an additional new motor vehicle dealer or
20 relocation of an existing new motor vehicle dealer.

21 B. ~~This section does not apply~~ The notice provisions and
22 hearing opportunities prescribed in subsection A of this section
23 shall not apply if any of the following are true:

24

1 1. To the relocation of an existing new motor vehicle dealer
2 within the relevant market area of that dealer; provided, that the
3 relocation not be at a site within ten (10) miles of a licensed new
4 motor vehicle dealer for the same line-make of motor vehicle;

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

10 3. To the relocation of an existing new motor vehicle dealer
11 within two (2) miles of the existing site of the new motor vehicle
12 dealership; or

13 4. To the relocation of an existing new motor vehicle dealer if
14 the proposed site of the relocated new motor vehicle dealership is
15 farther away from all other new motor vehicle dealers of the same
16 line-make in that relevant market area.

17 C. Within thirty (30) days after receipt of the notice, or
18 within thirty (30) days after the end of an appeal procedure
19 provided by the factory, whichever is greater, a new motor vehicle
20 dealer so notified or entitled to notice may file a petition with
21 the Commission protesting the proposed establishment or relocation.
22 The petition shall contain a short statement setting forth the
23 reasons for the objection of the new motor vehicle dealer to the
24 proposed establishment or relocation. Upon filing of a protest, the

1 Commission shall promptly notify the factory that a timely protest
2 has been filed and shall schedule a hearing, which shall be held
3 within one hundred twenty (120) days of the filing of a timely
4 protest. The factory shall not establish or relocate the new motor
5 vehicle dealer until the Commission has held a hearing and has
6 determined that there is good cause for permitting the proposed
7 establishment or relocation. When more than one protest is filed
8 against the establishment or relocation of the same dealer, the
9 Commission shall consolidate the hearings to expedite disposition of
10 the matter.

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

16 SECTION 18. AMENDATORY 47 O.S. 2021, Section 579, is
17 amended to read as follows:

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

- 1 1. Permanency of the investment of the proposed dealership;
- 2 2. Effect on the retail new motor vehicle business and the
3 consuming public in the relevant market area;
- 4 3. Whether it is injurious to the public welfare for an
5 additional new motor vehicle dealership to be established;
- 6 4. Whether the new motor vehicle dealers of the same line-make
7 in that relevant market area are providing adequate competition and
8 convenient consumer care for the motor vehicle sales and service
9 facilities, equipment, supply of motor vehicle parts, and qualified
10 service personnel; and
- 11 5. Whether the establishment of an additional new motor vehicle
12 dealership would increase competition, and therefore be in the
13 public interest.

14 SECTION 19. AMENDATORY 47 O.S. 2021, Section 580.2, is
15 amended to read as follows:

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

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

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

20 SECTION 20. AMENDATORY 47 O.S. 2021, Section 583, as
21 amended by Section 3, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022,
22 Section 583), is amended to read as follows:

23 Section 583. A. 1. It shall be unlawful and constitute a
24 misdemeanor for any person to engage in business as, or serve in the

1 capacity of, or act as a used motor vehicle dealer, wholesale used
2 motor vehicle dealer, manufactured home dealer, restricted
3 manufactured home park dealer, manufactured home installer, or
4 manufactured home manufacturer selling directly to a licensed
5 manufactured home dealer in this state without first obtaining a
6 license or following other requirements therefor as provided in this
7 section.

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

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

1 person is in violation of this act may constitute a
2 separate violation. All administrative fines
3 collected pursuant to the provisions of this
4 subparagraph shall be deposited in the fund
5 established in Section 582 of this title.

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

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

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

1 Commission shall require in the application, or otherwise,
2 information relating to:

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

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

20 3. All bonds and licenses issued under the provisions of this
21 act shall expire on December 31, following the date of issue and
22 shall be nontransferable. All applications for renewal of licenses
23 shall be submitted by November 1 of each year of expiration, and
24 licenses for completed renewals received by November 1 shall be

1 issued by January 10. If applications have not been made for
2 renewal of licenses, such licenses shall expire on December 31 and
3 it shall be illegal for any person to represent himself or herself
4 and act as a dealer thereafter. Tag agents shall be notified not to
5 accept dealers' titles until such time as licenses have been issued.
6 Beginning January 1, 2016, all licenses shall be issued for a period
7 of two (2) years and the appropriate fees shall be assessed. The
8 Commission shall adopt rules necessary to implement the two-year
9 licensing provisions.

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

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

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

1 conduct business as an automotive dismantler and parts recycler
2 issued pursuant to Section 591.1 et seq. of this title, the initial
3 fee shall be Two Hundred Dollars (\$200.00) and the renewal fee shall
4 be Two Hundred Dollars (\$200.00). If an applicant is applying
5 simultaneously for a license under this paragraph and a license
6 under paragraph 1 of Section 591.5 of this title, the initial
7 application fee shall be Four Hundred Dollars (\$400.00). For the
8 reinstatement of a used motor vehicle dealer's license after
9 revocation for cancellation or expiration of insurance pursuant to
10 subsection F of this section, the fee shall be Two Hundred Dollars
11 (\$200.00);

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

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

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

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 shall pay an installation inspection fee of Seventy-five Dollars
20 (\$75.00) for each new single-wide manufactured home and One Hundred
21 Twenty-five Dollars (\$125.00) for each new multi-floor manufactured
22 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.

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 in the
5 conduct of the business for which the applicant is
6 licensed. One of the purposes of the bond is to
7 provide reimbursement for any loss or damage suffered
8 by any person by reason of issuance of a certificate
9 of title by a used motor vehicle dealer, a wholesale
10 used motor vehicle dealer, a restricted manufactured
11 home park dealer or a manufactured home dealer.

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

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

23 G. Any manufactured home dealer or restricted manufactured home
24 park dealer is required to furnish and keep in force a minimum of

1 One Hundred Thousand Dollars (\$100,000.00) of garage liability or
2 general liability with products and completed operations insurance
3 coverage.

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

8 SECTION 21. AMENDATORY 47 O.S. 2021, Section 583.1, as
9 amended by Section 4, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022,
10 Section 583.1), is amended to read as follows:

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

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

10 B. It shall be punishable by an administrative fine not to
11 exceed Five Hundred Dollars (\$500.00) for any person, firm,
12 association, corporation or trust to engage in business as, or serve
13 in the capacity of, a manufactured home salesperson in this state
14 without first obtaining a certificate of registration with the
15 Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing
16 Commission. The cost of the registration for each salesperson shall
17 be Fifty Dollars (\$50.00) to be renewed biennially and, for a
18 transfer, Twenty-five Dollars (\$25.00). The cost of registration is
19 to be borne by the employing entity of the salesperson. The
20 Commission shall promulgate rules and procedures necessary for the
21 implementation and creation of a registry of salespersons and the
22 issuance of certificates of registration.

23 SECTION 22. AMENDATORY 47 O.S. 2021, Section 596.1, is
24 amended to read as follows:

1 Section 596.1 As used in this act:

2 1. "Area of sales responsibility" means a geographical area
3 agreed to by a dealer and the manufacturer in a dealer agreement in
4 which the dealer has the exclusive right to display or sell the new
5 recreational vehicles of a manufacturer of a particular line-make to
6 the public;

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

11 3. "Commission" means the Oklahoma New Motor Vehicle
12 Commission;

13 4. "Dealer" means any person, firm, corporation, or business
14 entity licensed or required to be licensed pursuant to the
15 provisions of this act to sell new recreational vehicles;

16 ~~4.~~ 5. "Dealer agreement" means a written agreement or contract
17 entered into between a manufacturer and a dealer that establishes
18 the legal rights and obligations of the parties to that agreement or
19 contract and pursuant to which the dealer is authorized to sell new
20 recreational vehicles manufactured or distributed by the
21 manufacturer;

22 ~~5.~~ 6. "Established place of business" means a permanently
23 enclosed building or structure, easily accessible to the public,
24 with a paved or graveled lot for customer parking and for the

1 showing and storage of vehicles. Established place of business
2 shall not mean tents, temporary stands, lots, or other temporary
3 quarters. The established place of business shall have a sign
4 visible from the outside of the business which identifies the
5 recreational vehicle dealership. The established place of business
6 shall have an indoor office with public areas sufficient to conduct
7 sales transactions with customers and have restroom facilities
8 available for the public. The established place of business shall
9 include a service and parts area, separated from the public areas,
10 equipped with tools, equipment, and replacement parts necessary for
11 reasonably expected warranty and service needs;

12 ~~6.~~ 7. "Factory campaign" means an effort by a warrantor to
13 contact recreational vehicle owners or recreational vehicle dealers
14 in order to address an issue concerning a recreational vehicle
15 problem, defective part or equipment;

16 ~~7.~~ 8. "Factory representative" means any officer or agent
17 engaged as a representative of a manufacturer of recreational
18 vehicles or a factory branch for the purpose of making or promoting
19 the sale of recreational vehicles of the manufacturer or for
20 supervising or contacting dealers or prospective dealers of the
21 manufacturer;

22 ~~8.~~ 9. "Family member" means any of the following:

23 a. a spouse of an individual,
24

- 1 b. a child, grandchild, parent, sibling, niece, or nephew
2 of an individual, or
3 c. the spouse of a child, grandchild, parent, sibling,
4 niece, or nephew of an individual;

5 ~~9.~~ 10. "Fifth wheel trailer" means a vehicular unit mounted on
6 wheels that is designed to provide temporary living quarters for
7 recreational, camping or travel use of such size and weight as to
8 not require a special highway movement permit and is designed to be
9 towed by a motorized vehicle that contains a towing mechanism that
10 is mounted above or forward of the rear axle of the tow vehicle;

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

- 13 a. are identified by a common series trade name or
14 trademark,
15 b. are targeted to a particular market segment based on
16 the decor, features, equipment, size, weight, and
17 price range,
18 c. have dimensions and interior floor plans that
19 distinguish the recreational vehicles from
20 recreational vehicles that have substantially the same
21 decor, features, equipment, weight, and price,
22 d. belong to a single, distinct classification of
23 recreational vehicle product type that has a
24

1 substantial degree of commonality in the construction
2 of the chassis, frame, and body, and

3 e. are authorized for sale by the dealer in the dealer
4 agreement;

5 ~~11.~~ 12. "Manufacturer" means a person that manufactures or
6 wholesales recreational vehicles or that distributes or wholesales
7 recreational vehicles to dealers;

8 ~~12.~~ 13. "Motor home" means a motorized, vehicular unit designed
9 to provide temporary living quarters for recreational, camping or
10 travel use;

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

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

15 15. "Proprietary part" means a recreational vehicle part
16 manufactured by or for a manufacturer and sold exclusively by a
17 manufacturer;

18 16. "Recreational vehicle" means a vehicle that:

19 a. is primarily designed as a vehicle that also provides
20 temporary living quarters for noncommercial,
21 recreational or camping use,

22 b. is built to the standards of the National Fire
23 Protection Association for recreational vehicles,
24

- 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 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,
- b. is temporarily traveling through the area of sales responsibility of a dealer,
- c. engages the dealer to perform service work on that recreational vehicle, and

1 d. requires repairs that relate to the safe operations of
2 that recreational vehicle or, if not undertaken, are
3 of a nature that would render that recreational
4 vehicle unusable;

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

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

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

21 SECTION 23. AMENDATORY 47 O.S. 2021, Section 596.2, is
22 amended to read as follows:

23 Section 596.2 A. It shall be unlawful for any person, firm,
24 association, corporation or trust to engage in business as, or serve

1 in the capacity of, or act as a new recreational vehicle dealer, new
2 recreational vehicle manufacturer, new recreational vehicle factory
3 representative or new recreational vehicle salesperson in this state
4 without first obtaining a license or salesperson registration as
5 provided for by law.

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

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

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

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

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

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

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

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

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

22 SECTION 24. AMENDATORY 47 O.S. 2021, Section 596.3, is
23 amended to read as follows:

24

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

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

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

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

12 B. A dealer may not conduct sales activity or display for sale
13 recreational vehicles outside of its designated area of sales
14 responsibility.

15 C. A dealer may sell off-premise within the area of sales
16 responsibility of the dealer under the following circumstances:

17 1. At sanctioned recreational vehicle shows where the sales
18 event is held off-premise and at least sixty-seven percent (67%) of
19 the recreational vehicle dealers that are located within a sixty-
20 mile radius of the location of the show participate in the show. A
21 sanctioned recreational vehicle show may be held only under the
22 following conditions:

23 a. the sponsoring entity of the sales event shall obtain
24 a permit from the ~~OMVC~~ Oklahoma New Motor Vehicle

1 Commission at the rate of Two Hundred Dollars
2 (\$200.00) per event. The permit shall be for a period
3 not to exceed ten (10) consecutive days,

4 b. dealer permits for a sanctioned recreational vehicle
5 show described in this paragraph shall be obtained
6 from the ~~OMVC~~ Commission at a rate of Fifteen Dollars
7 (\$15.00) for each motor home per sanctioned
8 recreational vehicle show,

9 c. new recreational vehicle dealers whose manufacturer-
10 approved area of responsibility includes the event
11 location shall be eligible to participate in the
12 sanctioned recreational vehicle show,

13 d. new recreational vehicle dealers shall obtain written
14 approval from the manufacturer or distributor to
15 participate in the sanctioned recreational vehicle
16 show, and

17 e. the sanctioned recreational vehicle show shall be
18 conducted within municipal, county, or state-owned or
19 controlled facilities or within the grounds of any
20 county, district, or state fair; and

21 2. At nonsanctioned recreational vehicle shows where one or
22 more dealers may sell recreational vehicles off-premise under the
23 following conditions:

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

22 D. A dealer may display a recreational vehicle within the
23 designated area of responsibility of the dealer for promotional
24 purposes. At an off-premise display event, no sales activities

1 shall be conducted including, but not limited to, negotiations,
2 financing and accepting credit applications. Sales or finance
3 personnel shall not be permitted to participate at an off-premise
4 display event. A permit for the off-premise display event shall not
5 be required.

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

12 SECTION 25. AMENDATORY 47 O.S. 2021, Section 596.5, is
13 amended to read as follows:

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

22 B. A manufacturer has the burden of showing good cause for
23 terminating or not renewing a dealer agreement. All of the
24 following factors shall be considered in determining whether there

1 is good cause for a proposed termination or nonrenewal of a dealer
2 agreement by a manufacturer:

3 1. The extent of the penetration of the dealer in the relevant
4 market area;

5 2. The extent and quality of the service of the dealer under
6 recreational vehicle warranties;

7 3. The nature and extent of the investment of the dealer in
8 business of the dealer;

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

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

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

14 7. The performance by the dealer under the terms of dealer
15 agreement.

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

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

24

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

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

16 4. A manufacturer may reduce the notice period described in
17 paragraph 1 of this subsection from ninety (90) days to thirty (30)
18 days and shall not be required to allow the dealer an opportunity to
19 correct the deficiencies if the grounds for termination or
20 nonrenewal of the dealer agreement by the manufacturer are any of
21 the specific categories of good cause described in subsection F of
22 this section; and

23 5. A manufacturer shall not be required to provide notice or an
24 opportunity to correct deficiencies under this subsection if the

1 grounds for termination or nonrenewal of the dealer agreement by the
2 manufacturer includes one of the following:

- 3 a. the dealer becomes insolvent,
- 4 b. the dealer is bankrupt, or
- 5 c. the dealer makes an assignment for the benefit of
6 creditors.

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

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

19 2. All current and undamaged accessories and proprietary parts
20 sold to the dealer for resale within the eighteen (18) months prior
21 to the effective date of the termination of the dealer agreement
22 that are accompanied by the original invoice may be repurchased at
23 one hundred five percent (105%) of the original net price paid to
24

1 the manufacturer to compensate the dealer for handling, packing, and
2 shipping the accessories and parts; and

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

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

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

17 1. A conviction of a felony or a plea of guilty or nolo
18 contendere to a felony by a dealer or an owner of a dealership of a
19 crime that was committed during the time frame of the current dealer
20 agreement; provided, there is full disclosure, in writing, of any
21 felony conviction or plea of guilty or nolo contendere to any such
22 felony crime that occurred within ten (10) years of entering into
23 such dealer agreement;

24

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

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

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

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

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

16 SECTION 26. AMENDATORY 47 O.S. 2021, Section 596.7, is
17 amended to read as follows:

18 Section 596.7 The ~~OMVC~~ Oklahoma New Motor Vehicle Commission
19 may not prohibit a dealer from selling the remaining in stock
20 inventory of a particular line-make after a dealer agreement has
21 been terminated or not renewed pursuant to the provisions of Section
22 ~~7 or 8 of this act~~ 596.5 or 596.6 of this title. If recreational
23 vehicles of a line-make are not returned or required to be returned
24 to the manufacturer, the dealer may continue to sell all line-makes

1 that were subject to the dealer agreement and are currently in stock
2 until those line-makes are no longer in the dealer inventory.

3 SECTION 27. AMENDATORY 47 O.S. 2021, Section 596.8, is
4 amended to read as follows:

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

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

13 2. If the dealer is not in breach of the dealer agreement or in
14 violation of the provisions of this act at the time the dealer
15 provides the notice described in paragraph 1 of this subsection, the
16 manufacturer shall not object to the proposed transaction, unless
17 the prospective transferee meets one or more of the following:

18 a. the prospective transferee was previously a party to a
19 dealer agreement with the manufacturer that the
20 manufacturer terminated,

21 b. in the preceding ten (10) years, the prospective
22 transferee was convicted of a felony crime or any
23 crime of fraud, deceit or moral turpitude,

24

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

17 3. If the manufacturer objects to the proposed transaction, the
18 manufacturer shall give written notice of an objection, including
19 the reasons by the manufacturer for objecting, to the dealer within
20 thirty (30) days after receiving the notice described in paragraph 1
21 of this subsection. If the manufacturer does not give notice of an
22 objection within the thirty-day time period, the proposed
23 transaction shall be considered approved by the manufacturer; and
24

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

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

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

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

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

22 a. in the preceding ten (10) years, the successor was
23 convicted of a felony crime or any crime of fraud,
24 deceit or moral turpitude,

- 1 b. in the preceding ten (10) years, the successor was
2 bankrupt, insolvent, or made an assignment for the
3 benefit of creditors,
4 c. the successor was previously a party to a dealer
5 agreement with the manufacturer that the manufacturer
6 terminated for a breach of a dealer agreement,
7 d. the successor does not have an active line of credit
8 sufficient to purchase recreational vehicles from the
9 manufacturer according to the terms of the dealer
10 agreement, or
11 e. the successor does not have an application for a
12 recreational vehicle dealer license pending with the
13 OMVC or a tentative dealer agreement with a
14 recreational vehicle manufacturer to conduct business
15 as a dealer in this state;

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

19 5. The consent of the manufacturer shall be required for the
20 succession to a dealership by a family member of the deceased,
21 incapacitated, or retired designated principal if the succession
22 involves a relocation of the business or an alteration of the terms
23 and conditions of the dealer agreement.

1 SECTION 28. AMENDATORY 47 O.S. 2021, Section 596.14, is
2 amended to read as follows:

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

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

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

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

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

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

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

1 h. has employed an unregistered new recreational vehicle
2 salesperson;

3 6. Being a new recreational vehicle dealer who:

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

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

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

22 d. employs unregistered salespersons or employs or
23 utilizes the services of used recreational vehicle
24

1 lots, dealers or other unregistered persons in
2 connection with the sale of new recreational vehicles;

3 7. Being a factory that has:

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

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

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

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

20 b. induced under threat or discrimination by the
21 withholding from delivery to a recreational vehicle
22 dealer certain models of recreational vehicles,
23 changing or amending unilaterally the allotment of
24 recreational vehicles of a dealer or withholding and

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

16 8. Has employed unlicensed factory representatives.

17 The Commission may deny any application for license, or suspend
18 or revoke a license issued, or impose a fine, only after a hearing
19 for which the applicant or licensee affected shall be given at least
20 ten (10) days' written notice specifying the reason for denying the
21 applicant a license, or, in the case of a revocation or suspension
22 or imposition of a fine, the offense which the licensee is alleged
23 to have committed. The notice may be served as provided by law for
24 the service of notices or mailing a copy by registered mail to the

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

19 SECTION 29. AMENDATORY 47 O.S. 2021, Section 596.15, is
20 amended to read as follows:

21 Section 596.15 A. A dealer, manufacturer, or warrantor injured
22 by another party who has violated a provision of this act may bring
23 a civil action in court for the recovery of actual damages. The
24

1 court shall award attorney fees and costs to the prevailing party in
2 a civil action under this section.

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

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

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

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

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

23 D. Within twenty (20) days after a demand for mediation is
24 served under subsection C of this section, the parties shall

1 mutually select an independent mediator who is approved by the ~~OMVC~~
2 Commission, and meet with that mediator for the purpose of
3 attempting to resolve the dispute at a location in this state
4 selected by the mediator. The mediator may extend the date of the
5 meeting for good cause shown by either party or if the parties agree
6 to the extension.

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

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

1 SECTION 30. AMENDATORY 47 O.S. 2021, Section 596.16, is
2 amended to read as follows:

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

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

10 2. Violating or continuing to violate the provisions of this
11 act. A single violation of the provisions of this act shall be a
12 sufficient basis for the court to grant equitable relief under this
13 section; or

14 3. Failing or refusing to comply with any requirement of the
15 provisions of this act.

16 B. The court may not require a bond as a condition to the grant
17 of equitable relief under this section.

18 C. If, on January 1, 2011, a dealership does not meet the
19 requirements of the definition of established place of business as
20 defined in Section ~~3 of this act~~ 596.1 of this title, the dealership
21 shall be eligible for licensing by the ~~OMVC~~ Oklahoma New Motor
22 Vehicle Commission for that location. If the dealership moves the
23 dealership to a new location, the new dealership shall comply with
24

1 the requirements of the definition of established place of business
2 as defined in Section ~~3 of this act~~ 596.1 of this title.

3 SECTION 31. AMENDATORY 47 O.S. 2021, Section 1116.1, is
4 amended to read as follows:

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

17 SECTION 32. AMENDATORY 47 O.S. 2021, Section 1128, as
18 amended by Section 142, Chapter 282, O.S.L. 2022 (47 O.S. Supp.
19 2022, Section 1128), is amended to read as follows:

20 Section 1128. A. Every person manufacturing or having a
21 contract to sell new vehicles in this state shall file a verified
22 application for a general distinctive number for all new vehicles
23 owned or controlled by the manufacturer or dealer; provided, Service
24 Oklahoma shall issue a license to sell such new motor vehicles only

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

1 valid salesman's license issued by the Oklahoma New Motor Vehicle
2 Commission shall not be subject to this limitation. If such person
3 also buys and sells used vehicles, he shall, after obtaining his new
4 motor vehicle dealer's license from the Oklahoma New Motor Vehicle
5 Commission, also obtain a used motor vehicle dealer's license, from
6 the Oklahoma Used Motor Vehicle and ~~Parts~~, Dismantler, and
7 Manufactured Housing Commission, the cost of which shall be as
8 prescribed in Section 1101 et seq. of this title.

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

14 C. Application for manufacturer's or dealer's license must show
15 that such dealer or manufacturer has not violated any of the
16 provisions of this section; and such license shall be nonassignable;
17 and any such license may be suspended temporarily or revoked by
18 Service Oklahoma for violation or failure to comply with this
19 section; provided, the holder of such license shall be given ten
20 (10) days' notice of hearing to suspend or cancel such license. If
21 any such person subject to any of the licenses required in this
22 section fails to obtain it when due, a penalty of twenty-five cents
23 (\$0.25) per day on each such license shall be charged in the same
24 manner as is now provided on delinquent motor vehicle registrations,

1 and after a period of thirty (30) days such penalty shall be equal
2 to the license fee. It shall be the duty of every person licensed
3 to sell new or used motor vehicles to advise each purchaser in
4 writing about his title requirements and payment of any taxes due.
5 Each used motor vehicle must display a proper Oklahoma license plate
6 or a used dealer's license plate.

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

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

14 E. Service Oklahoma shall issue dealer licenses to new and used
15 manufactured home dealers, new and used travel trailer dealers and
16 new and used commercial trailer dealers.

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

19 SECTION 33. AMENDATORY 47 O.S. 2021, Section 1137.3, as
20 amended by Section 172, Chapter 282, O.S.L. 2022 (47 O.S. Supp.
21 2022, Section 1137.3), is amended to read as follows:

22 Section 1137.3 The purchaser of every new motor vehicle, travel
23 trailer or commercial trailer shall register or license the same
24 within thirty (30) days from the date of purchase. It shall be the

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

1 and replaced with a permanent, current Oklahoma license plate. Use
2 of said temporary license plate by a licensed dealer for other than
3 the purpose of normally doing business shall constitute grounds for
4 revocation of the dealer's license.

5 It shall be unlawful for any licensed dealer of new motor
6 vehicles, travel trailers or commercial trailers to procure the
7 registration and licensing of any new motor vehicle, travel trailer
8 or commercial trailer sold by such licensed dealer or to act as the
9 agent for such purchaser in the procurement of said registration and
10 licensing. The license of any licensed dealer of new motor
11 vehicles, travel trailers or commercial trailers violating the
12 provisions of this section shall be revoked.

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

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

- 18 1. The Board of Governors of the Licensed Architects, Landscape
19 Architects and Registered Interior Designers of Oklahoma;
- 20 2. Oklahoma Funeral Board;
- 21 3. Board of Podiatric Medical Examiners;
- 22 4. Board of Chiropractic Examiners;
- 23 5. State Board of Registration for Foresters;
- 24 6. State Board of Medical Licensure and Supervision;

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

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

16 C. Expenditures from the revolving funds shall be made pursuant
17 to the laws of the state and the statutes relating to said boards,
18 commissions and departments, and without legislative appropriation.
19 Warrants for expenditures from said revolving funds shall be drawn
20 by the State Treasurer, based on claims signed by an authorized
21 employee or employees of the respective boards, commissions or
22 departments and approved for payment by the Director of the Office
23 of Management and Enterprise Services.

1 SECTION 35. 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 3603
5 of this title, the term "employee" means a full-time employee or any
6 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 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	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 36. REPEALER 47 O.S. 2021, Section 1128, as amended by Section 21, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1128), is hereby repealed.

SECTION 37. This act shall become effective November 1, 2023.

59-1-8003 JBH 03/16/23