

SECOND REGULAR SESSION

HOUSE BILL NO. 2307

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE COOPER.

5312L.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 301.069, 301.196, 301.200, 301.218, 301.280, 301.560, 301.562, 301.567, 301.570, 302.220, and 302.230, RSMo, and to enact in lieu thereof thirteen new sections relating to regulation of motor vehicles and drivers licensing, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 301.069, 301.196, 301.200, 301.218, 301.280, 301.560, 301.562, 2 301.567, 301.570, 302.220, and 302.230, RSMo, are repealed and thirteen new sections enacted 3 in lieu thereof, to be known as sections 301.069, 301.196, 301.200, 301.218, 301.280, 301.427, 4 301.560, 301.562, 301.567, 301.570, 301.574, 302.220, and 302.230, to read as follows:

301.069. **1.** A driveway license plate may not be used on a vehicle used or operated on 2 a highway except for the purpose of transporting vehicles in transit. Driveway license plates 3 may not be used by tow truck operators transporting wrecked, disabled, abandoned, improperly 4 parked, or burned vehicles. **Driveway license plates shall only be used by owners, corporate 5 officers, or employees of a business to which the plate is issued.** For each driveway license 6 there shall be paid an annual license fee of forty-four dollars and fifty cents for one set of plates 7 or such insignia as the director may issue which shall be attached to the motor vehicle as 8 prescribed in this chapter. Applicants may choose to obtain biennial driveway licenses. The 9 fee for biennial driveway licenses shall be eighty-nine dollars. For single trips the fee shall be 10 four dollars, and descriptive insignia shall be prepared and issued at the discretion of the director 11 who shall also prescribe the type of equipment used to attach such vehicles in combinations.

12 **2. No driveway license plate shall be issued by the director of revenue unless the**
13 **applicant therefor shall make application for such plate and shall therein include:**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 (1) The business name, business street address, and business telephone number of
15 the applicant;

16 (2) The business owner's full name, date of birth, driver license number or
17 nondriver license number, residence street address, and residence telephone number;

18 (3) The signature and printed name of the business owner or authorized
19 representative of the business presenting such application; and

20 (4) A statement explaining what the driveaway license plates will be used for.

21

22 The applicant shall provide certification of proof of financial responsibility, as defined in
23 section 303.020, sufficient to cover each motor vehicle the applicant shall operate or
24 otherwise move on the streets or highways, through use of the driveaway license plate,
25 during the period of registration. The applicant shall provide such certification by affixing
26 a copy of said certification to the application. The application shall include a photograph,
27 not to exceed eight inches by ten inches, but no less than five inches by seven inches,
28 showing the business building and sign of the applicant's business. The applicant shall
29 maintain a working, landline telephone at the applicant's place of business throughout the
30 registration period. The applicant shall maintain certification of proof of financial
31 responsibility as described herein throughout the registration period.

32 3. If any of the information required by this section to be reported by the applicant
33 changes during the registration period, the applicant shall report said changes to the
34 department of revenue within ten days of the date of the change.

35 4. Any violation of this section shall result in the revocation of the applicant's
36 driveaway license.

37 5. Any person who knowingly uses a revoked driveaway license plate shall be
38 deemed guilty of a misdemeanor.

301.196. 1. Beginning January 1, 2006, except as otherwise provided in this section, the
2 transferor of an interest in a motor vehicle or trailer listed on the face of a Missouri title,
3 excluding [salvage titles and] junking certificates, shall notify the department of revenue of the
4 transfer within thirty days of the date of transfer. The notice shall be in a form determined by
5 the department by rule and shall contain:

6 (1) A description of the motor vehicle or trailer sufficient to identify it;

7 (2) The vehicle identification number of the motor vehicle or trailer;

8 (3) The name and address of the transferee;

9 (4) The date of birth of the transferee, unless the transferee is not a natural person;

10 (5) The date of the transfer or sale;

11 (6) The purchase price of the motor vehicle or trailer, if applicable;

12 (7) The number of the transferee's drivers license, unless the transferee does not have a
13 drivers license;

14 (8) The printed name and signature of the transferee;

15 (9) Any other information required by the department by rule.

16 2. For purposes of giving notice under this section, if the transfer occurs by operation of
17 law, the personal representative, receiver, trustee, sheriff, or other representative or successor in
18 interest of the person whose interest is transferred shall be considered the transferor.
19 Repossession by a creditor shall not be considered a transfer of ownership requiring such notice.

20 3. The requirements of this section shall not apply to transfers when there is no complete
21 change of ownership interest or upon award of ownership of a motor vehicle or trailer made by
22 court order, or transfers of ownership of a motor vehicle or trailer to or between vehicle dealers,
23 or transfers of ownership of a motor vehicle or trailer to an insurance company due to a theft or
24 casualty loss, or transfers of beneficial ownership of a motor vehicle owned by a trust.

25 4. Notification under this section is only required for transfers of ownership that would
26 otherwise require [registration and] an application for certificate of title in this state under section
27 301.190, and is for informational purposes only and does not constitute an assignment or release
28 of any interest in the vehicle.

29 5. Retail sales made by licensed dealers including sales of new vehicles shall be reported
30 pursuant to the provisions of section 301.280.

301.200. 1. In the case of dealers, a certificate of ownership or proof that a dealer has
2 applied for a certificate of ownership or that a prior lien has been satisfied by the dealer shall be
3 required in the case of each motor vehicle in his possession, and the director of revenue shall
4 determine the form in which application for such certificates of ownership and assignments shall
5 be made, in case forms differing from those used for individuals are, in his judgment, reasonably
6 required; provided, however, that no such certificates shall be required in the case of new motor
7 vehicles or trailers sold by manufacturers to dealers.

8 2. Dealers shall execute and deliver manufacturer's statements of origin in accordance
9 with forms prescribed by the director of revenue for all new cars sold by them. On the
10 presentation of a manufacturer's statement of origin, executed in the form prescribed by the
11 director of revenue, by a manufacturer or a dealer for a new car sold in this state, a certificate of
12 ownership shall be issued.

13 3. Each certificate of ownership issued by the department of revenue shall contain space
14 for four assignments. On all certificates of ownership containing fewer than four assignment
15 spaces, the director shall prescribe a secure document for use in making a fourth assignment by
16 a dealer. All secure documents for assignments which are spoiled shall be marked "void" and
17 shall be returned by the dealer to the department of revenue at the end of each month.

18 **4. No entity that finances or establishes a line of credit that enables a motor vehicle**
19 **dealer to purchase a motor vehicle shall hold, or preclude a motor vehicle dealer from**
20 **holding, any certificate of ownership to a motor vehicle as part of that financing or line of**
21 **credit. Any entity that finances or establishes a line of credit that enables a motor vehicle**
22 **dealer to purchase vehicles, and who holds or prohibits a motor vehicle dealer from**
23 **holding, any certificate of ownership as part of that financing or line of credit shall upon**
24 **conviction be guilty of a class A misdemeanor, provided that a second or subsequent**
25 **offense shall be a class D felony.**

 301.218. 1. No person shall, except as an incident to the sale, repair, rebuilding or
2 servicing of vehicles by a licensed franchised motor vehicle dealer, carry on or conduct the
3 following business unless licensed to do so by the department of revenue under sections 301.217
4 to 301.229:

5 (1) Selling used parts of or used accessories for vehicles as a used parts dealer, as defined
6 in section 301.010;

7 (2) Salvaging, wrecking or dismantling vehicles for resale of the parts thereof as a
8 salvage dealer or dismantler, as defined in section 301.010;

9 (3) Rebuilding and repairing four or more wrecked or dismantled vehicles in a calendar
10 year as a rebuilder or body shop, as defined in section 301.010;

11 (4) Processing scrapped vehicles or vehicle parts as a [mobile] scrap processor, as
12 defined in section 301.010.

13 2. Sales at a salvage pool or a salvage disposal sale shall be open only to and made to
14 persons actually engaged in and holding a current license under sections 301.217 to 301.221 and
15 301.550 to 301.573 or any person from another state or jurisdiction who is legally allowed in his
16 or her state of domicile to purchase for resale, rebuild, dismantle, crush, or scrap either motor
17 vehicles or salvage vehicles, and to persons who reside in a foreign country that are purchasing
18 salvage vehicles for export outside of the United States. Operators of salvage pools or salvage
19 disposal sales shall keep a record, for three years, of sales of salvage vehicles with the
20 purchasers' name and address, and the year, make, and vehicle identification number for each
21 vehicle. These records shall be open for inspection as provided in section 301.225. Such records
22 shall be submitted to the department on a quarterly basis.

23 3. The operator of a salvage pool or salvage disposal sale, or subsequent purchaser, who
24 sells a nonrepairable motor vehicle or a salvage motor vehicle to a person who is not a resident
25 of the United States at a salvage pool or a salvage disposal sale shall:

26 (1) Stamp on the face of the title so as not to obscure any name, date, or mileage
27 statement on the title the words "FOR EXPORT ONLY" in capital letters that are black; and

28 (2) Stamp in each unused reassignment space on the back of the title the words "FOR
29 EXPORT ONLY" and print the number of the dealer's salvage vehicle license, name of the
30 salvage pool, or the name of the governmental entity, as applicable. The words "FOR EXPORT
31 ONLY" required under subdivisions (1) and (2) of this subsection shall be at least two inches
32 wide and clearly legible. Copies of the stamped titles shall be forwarded to the department.

33 4. The director of revenue shall issue a separate license for each kind of business
34 described in subsection 1 of this section, to be entitled and designated as either "used parts
35 dealer"; "salvage dealer or dismantler"; "rebuilder or body shop"; or "[mobile] scrap processor"
36 license.

301.280. 1. Every motor vehicle dealer and boat dealer shall make a monthly report to
2 the department of revenue, on blanks to be prescribed by the department of revenue, giving the
3 following information: date of the sale of each motor vehicle, boat, trailer and all-terrain vehicle
4 sold; the name and address of the buyer; the name of the manufacturer; year of manufacture;
5 model of vehicle; vehicle identification number; style of vehicle; odometer setting; and it shall
6 also state whether the motor vehicle, boat, trailer or all-terrain vehicle is new or secondhand.
7 Each monthly sales report filed by a motor vehicle dealer who collects sales tax under subsection
8 8 of section 144.070, RSMo, shall also include the amount of state and local sales tax collected
9 for each motor vehicle sold if sales tax was due. The odometer reading is not required when
10 reporting the sale of any motor vehicle that is ten years old or older, any motor vehicle having
11 a gross vehicle weight rating of more than sixteen thousand pounds, new vehicles that are
12 transferred on a manufacturer's statement of origin between one franchised motor vehicle dealer
13 and another, or boats, all-terrain vehicles or trailers. The sale of all thirty-day temporary permits,
14 without exception, shall be recorded in the appropriate space on the dealer's monthly sales report
15 by recording the complete permit number issued on the motor vehicle or trailer sale listed. The
16 monthly sales report shall be completed in full and signed by an officer, partner, or owner of the
17 dealership, and actually received by the department of revenue on or before the fifteenth day of
18 the month succeeding the month for which the sales are being reported. If no sales occur in any
19 given month, a report shall be submitted for that month indicating no sales. Any vehicle dealer
20 who fails to file a monthly report or who fails to file a timely report shall be subject to
21 disciplinary action as prescribed in section 301.562 or a penalty assessed by the director not to
22 exceed three hundred dollars per violation. Every motor vehicle and boat dealer shall retain
23 copies of the monthly sales report as part of the records to be maintained at the dealership
24 location and shall hold them available for inspection by appropriate law enforcement officials
25 and officials of the department of revenue. Every vehicle dealer selling twenty or more vehicles
26 a month shall file the monthly sales report with the department in an electronic format. Any
27 dealer filing a monthly sales report in an electronic format shall be exempt from filing the notice

28 of transfer required by section 301.196. For any dealer not filing electronically, the notice of
29 transfer required by section 301.196 shall be submitted with the monthly sales report as
30 prescribed by the director.

31 2. Every dealer and every person operating a public garage shall keep a correct record
32 of the vehicle identification number, odometer setting, manufacturer's name of all motor vehicles
33 or trailers accepted by him for the purpose of sale, rental, storage, repair or repainting, together
34 with the name and address of the person delivering such motor vehicle or trailer to the dealer or
35 public garage keeper, and the person delivering such motor vehicle or trailer shall record such
36 information in a file kept by the dealer or garage keeper. The record shall be kept for [three] **five**
37 years and be open for inspection by law enforcement officials, members or authorized or
38 designated employees of the Missouri highway patrol, and persons, agencies and officials
39 designated by the director of revenue.

40 3. Every dealer and every person operating a public garage in which a motor vehicle
41 remains unclaimed for a period of fifteen days shall, within five days after the expiration of that
42 period, report the motor vehicle as unclaimed to the director of revenue. Such report shall be on
43 a form prescribed by the director of revenue. A motor vehicle left by its owner whose name and
44 address are known to the dealer or his employee or person operating a public garage or his
45 employee is not considered unclaimed. Any dealer or person operating a public garage who fails
46 to report a motor vehicle as unclaimed as herein required forfeits all claims and liens for its
47 garaging, parking or storing.

48 4. The director of revenue shall maintain appropriately indexed cumulative records of
49 unclaimed vehicles reported to the director. Such records shall be kept open to public inspection
50 during reasonable business hours.

51 5. The alteration or obliteration of the vehicle identification number on any such motor
52 vehicle shall be prima facie evidence of larceny, and the dealer or person operating such public
53 garage shall upon the discovery of such obliteration or alteration immediately notify the highway
54 patrol, sheriff, marshal, constable or chief of police of the municipality where the dealer or
55 garage keeper has his place of business, and shall hold such motor vehicle or trailer for a period
56 of forty-eight hours for the purpose of an investigation by the officer so notified.

57 **6. Any person who knowingly makes a false statement or omission of a material fact**
58 **in a monthly sales report to the department of revenue, as described in subsection 1 of this**
59 **section, shall be deemed guilty of a class A misdemeanor.**

301.427. If the director of revenue or his or her designated representative
2 **reasonably believes that a certificate of ownership, a license plate, or a license plate tab was**
3 **obtained fraudulently, any person in possession of said item shall surrender same to the**

4 **director of revenue or his or her designated representative upon request. Any person**
5 **failing to do so shall be deemed guilty of a class A misdemeanor.**

2 301.560. 1. In addition to the application forms prescribed by the department, each
3 applicant shall submit the following to the department:

4 (1) Every application other than a renewal application for a motor vehicle franchise
5 dealer shall include a certification that the applicant has a bona fide established place of business.
6 Such application shall include an annual certification that the applicant has a bona fide
7 established place of business [for the first three years and only for every other year thereafter].
8 The certification shall be performed by a uniformed member of the Missouri state highway patrol
9 or authorized or designated employee stationed in the troop area in which the applicant's place
10 of business is located; except that in counties of the first classification, certification may be
11 performed by an officer of a metropolitan police department when the applicant's established
12 place of business of distributing or selling motor vehicles or trailers is in the metropolitan area
13 where the certifying metropolitan police officer is employed. When the application is being
14 made for licensure as a boat manufacturer or boat dealer, certification shall be performed by a
15 uniformed member of the Missouri state water patrol stationed in the district area in which the
16 applicant's place of business is located or by a uniformed member of the Missouri state highway
17 patrol stationed in the troop area in which the applicant's place of business is located or, if the
18 applicant's place of business is located within the jurisdiction of a metropolitan police
19 department in a first class county, by an officer of such metropolitan police department. A bona
20 fide established place of business for any new motor vehicle franchise dealer, used motor vehicle
21 dealer, boat dealer, powersport dealer, wholesale motor vehicle dealer, trailer dealer, or
22 wholesale or public auction shall be a permanent enclosed building or structure, either owned
23 in fee or leased and actually occupied as a place of business by the applicant for the selling,
24 bartering, trading, servicing, or exchanging of motor vehicles, boats, personal watercraft, or
25 trailers and wherein the public may contact the owner or operator at any reasonable time, and
26 wherein shall be kept and maintained the books, records, files and other matters required and
27 necessary to conduct the business. The applicant's place of business shall contain a working
28 telephone which shall be maintained during the entire registration year. In order to qualify as a
29 bona fide established place of business for all applicants licensed pursuant to this section there
30 shall be an exterior sign displayed carrying the name of the business set forth in letters at least
31 six inches in height and clearly visible to the public and there shall be an area or lot which shall
32 not be a public street on which multiple vehicles, boats, personal watercraft, or trailers may be
33 displayed. The sign shall contain the name of the dealership by which it is known to the public
34 through advertising or otherwise, which need not be identical to the name appearing on the
dealership's license so long as such name is registered as a fictitious name with the secretary of

35 state, has been approved by its line-make manufacturer in writing in the case of a new motor
36 vehicle franchise dealer and a copy of such fictitious name registration has been provided to the
37 department. Dealers who sell only emergency vehicles as defined in section 301.550 are exempt
38 from maintaining a bona fide place of business, including the related law enforcement
39 certification requirements, and from meeting the minimum yearly sales;

40 (2) The initial application for licensure shall include a photograph, not to exceed eight
41 inches by ten inches but no less than five inches by seven inches, showing the business building,
42 lot, and sign. A new motor vehicle franchise dealer applicant who has purchased a currently
43 licensed new motor vehicle franchised dealership shall be allowed to submit a photograph of the
44 existing dealership building, lot and sign but shall be required to submit a new photograph upon
45 the installation of the new dealership sign as required by sections 301.550 to 301.573.
46 Applicants shall not be required to submit a photograph annually unless the business has moved
47 from its previously licensed location, or unless the name of the business or address has changed,
48 or unless the class of business has changed;

49 (3) Every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer,
50 a powersport dealer, a wholesale motor vehicle dealer, trailer dealer, or boat dealer shall furnish
51 with the application a corporate surety bond or an irrevocable letter of credit as defined in section
52 400.5-103, RSMo, issued by any state or federal financial institution in the penal sum of
53 twenty-five thousand dollars on a form approved by the department. The bond or irrevocable
54 letter of credit shall be conditioned upon the dealer complying with the provisions of the statutes
55 applicable to new motor vehicle franchise dealers, used motor vehicle dealers, powersport
56 dealers, wholesale motor vehicle dealers, trailer dealers, and boat dealers, and the bond shall be
57 an indemnity for any loss sustained by reason of the acts of the person bonded when such acts
58 constitute grounds for the suspension or revocation of the dealer's license. The bond shall be
59 executed in the name of the state of Missouri for the benefit of all aggrieved parties or the
60 irrevocable letter of credit shall name the state of Missouri as the beneficiary; except, that the
61 aggregate liability of the surety or financial institution to the aggrieved parties shall, in no event,
62 exceed the amount of the bond or irrevocable letter of credit. The proceeds of the bond or
63 irrevocable letter of credit shall be paid upon receipt by the department of a final judgment from
64 a Missouri court of competent jurisdiction against the principal and in favor of an aggrieved
65 party. Additionally, every applicant as a new motor vehicle franchise dealer, a used motor
66 vehicle dealer, a powersport dealer, a wholesale motor vehicle dealer, trailer dealer, or boat
67 dealer shall furnish with the application a copy of a current dealer garage policy bearing the
68 policy number and name of the insurer and the insured;

69 (4) Payment of all necessary license fees as established by the department. In
70 establishing the amount of the annual license fees, the department shall, as near as possible,

71 produce sufficient total income to offset operational expenses of the department relating to the
72 administration of sections 301.550 to 301.573. All fees payable pursuant to the provisions of
73 sections 301.550 to 301.573, other than those fees collected for the issuance of dealer plates or
74 certificates of number collected pursuant to subsection 6 of this section, shall be collected by the
75 department for deposit in the state treasury to the credit of the "Motor Vehicle Commission
76 Fund", which is hereby created. The motor vehicle commission fund shall be administered by
77 the Missouri department of revenue. The provisions of section 33.080, RSMo, to the contrary
78 notwithstanding, money in such fund shall not be transferred and placed to the credit of the
79 general revenue fund until the amount in the motor vehicle commission fund at the end of the
80 biennium exceeds two times the amount of the appropriation from such fund for the preceding
81 fiscal year or, if the department requires permit renewal less frequently than yearly, then three
82 times the appropriation from such fund for the preceding fiscal year. The amount, if any, in the
83 fund which shall lapse is that amount in the fund which exceeds the multiple of the appropriation
84 from such fund for the preceding fiscal year.

2. In the event a new vehicle manufacturer, boat manufacturer, motor vehicle dealer, wholesale motor vehicle dealer, boat dealer, powersport dealer, wholesale motor vehicle auction, trailer dealer, or a public motor vehicle auction submits an application for a license for a new business and the applicant has complied with all the provisions of this section, the department shall make a decision to grant or deny the license to the applicant within eight working hours after receipt of the dealer's application, notwithstanding any rule of the department.

3. Upon the initial issuance of a license by the department, the department shall assign a distinctive dealer license number or certificate of number to the applicant and the department shall issue one number plate or certificate bearing the distinctive dealer license number or certificate of number and two additional number plates or certificates of number within eight working hours after presentment of the application. Upon renewal, the department shall issue the distinctive dealer license number or certificate of number as quickly as possible. The issuance of such distinctive dealer license number or certificate of number shall be in lieu of registering each motor vehicle, trailer, vessel or vessel trailer dealt with by a boat dealer, boat manufacturer, manufacturer, public motor vehicle auction, wholesale motor vehicle dealer, wholesale motor vehicle auction or new or used motor vehicle dealer.

101 4. Notwithstanding any other provision of the law to the contrary, the department shall
102 assign the following distinctive dealer license numbers to:

103

104 New motor vehicle franchise dealers D-0 through D-999

105 New powersport dealers and motorcycle franchise

106	dealers	D-1000 through D-1999
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107	Used motor vehicle, used powersport, and used motorcycle	
108	dealers	D-2000 through D-9999
109	Wholesale motor vehicle dealers	W-0 through W-1999
110	Wholesale motor vehicle auctions	WA-0 through WA-999
111	New and used trailer dealers	T-0 through T-9999
112	Motor vehicle, trailer, and boat	
113	manufacturers	DM-0 through DM-999
114	Public motor vehicle auctions	A-0 through A-1999
115	Boat dealers	M-0 through M-9999
116	New and used recreational motor vehicle	
117	dealers	RV-0 through RV-999

118

119 For purposes of this subsection, qualified transactions shall include the purchase of salvage titled
120 vehicles by a licensed salvage dealer. A used motor vehicle dealer who also holds a salvage
121 dealer's license shall be allowed one additional plate or certificate number per fifty-unit qualified
122 transactions annually. In order for salvage dealers to obtain number plates or certificates under
123 this section, dealers shall submit to the department of revenue on August first of each year a
124 statement certifying, under penalty of perjury, the dealer's number of purchases during the
125 reporting period of July first of the immediately preceding year to June thirtieth of the present
126 year. The provisions of this subsection shall become effective on the date the director of the
127 department of revenue begins to reissue new license plates under section 301.130, or on
128 December 1, 2008, whichever occurs first. If the director of revenue begins reissuing new
129 license plates under the authority granted under section 301.130 prior to December 1, 2008, the
130 director of the department of revenue shall notify the revisor of statutes of such fact.

131 5. Upon the sale of a currently licensed new motor vehicle franchise dealership the
132 department shall, upon request, authorize the new approved dealer applicant to retain the selling
133 dealer's license number and shall cause the new dealer's records to indicate such transfer.

134 6. In the case of new motor vehicle manufacturers, motor vehicle dealers, powersport
135 dealers, recreational motor vehicle dealers, and trailer dealers, the department shall issue one
136 number plate bearing the distinctive dealer license number and may issue two additional number
137 plates to the applicant upon payment by the manufacturer or dealer of a fifty dollar fee for the
138 number plate bearing the distinctive dealer license number and ten dollars and fifty cents for each
139 additional number plate. Such license plates shall be made with fully reflective material with
140 a common color scheme and design, shall be clearly visible at night, and shall be aesthetically
141 attractive, as prescribed by section 301.130. Boat dealers and boat manufacturers shall be
142 entitled to one certificate of number bearing such number upon the payment of a fifty dollar fee.

143 Additional number plates and as many additional certificates of number may be obtained upon
144 payment of a fee of ten dollars and fifty cents for each additional plate or certificate. New motor
145 vehicle manufacturers shall not be issued or possess more than three hundred forty-seven
146 additional number plates or certificates of number annually. New and used motor vehicle
147 dealers, powersport dealers, wholesale motor vehicle dealers, boat dealers, and trailer dealers are
148 limited to one additional plate or certificate of number per ten-unit qualified transactions
149 annually. New and used recreational motor vehicle dealers are limited to two additional plates
150 or certificate of number per ten-unit qualified transactions annually for their first fifty
151 transactions and one additional plate or certificate of number per ten-unit qualified transactions
152 thereafter. An applicant seeking the issuance of an initial license shall indicate on his or her
153 initial application the applicant's proposed annual number of sales in order for the director to
154 issue the appropriate number of additional plates or certificates of number. A motor vehicle
155 dealer, trailer dealer, boat dealer, powersport dealer, recreational motor vehicle dealer, motor
156 vehicle manufacturer, boat manufacturer, or wholesale motor vehicle dealer obtaining a
157 distinctive dealer license plate or certificate of number or additional license plate or additional
158 certificate of number, throughout the calendar year, shall be required to pay a fee for such license
159 plates or certificates of number computed on the basis of one-twelfth of the full fee prescribed
160 for the original and duplicate number plates or certificates of number for such dealers' licenses,
161 multiplied by the number of months remaining in the licensing period for which the dealer or
162 manufacturers shall be required to be licensed. In the event of a renewing dealer, the fee due at
163 the time of renewal shall not be prorated. Wholesale and public auctions shall be issued a
164 certificate of dealer registration in lieu of a dealer number plate. In order for dealers to obtain
165 number plates or certificates under this section, dealers shall submit to the department of revenue
166 on August first of each year a statement certifying, under penalty of perjury, the dealer's number
167 of sales during the reporting period of July first of the immediately preceding year to June
168 thirtieth of the present year.

169 7. The plates issued pursuant to subsection 3 or 6 of this section may be displayed on any
170 motor vehicle owned by a new motor vehicle manufacturer. The plates issued pursuant to
171 subsection 3 or 6 of this section may be displayed on any motor vehicle or trailer owned and held
172 for resale by a motor vehicle dealer for use by a customer who is test driving the motor vehicle,
173 for use and display purposes during, but not limited to, parades, private events, charitable events,
174 or for use by an employee or officer, but shall not be displayed on any motor vehicle or trailer
175 hired or loaned to others or upon any regularly used service or wrecker vehicle. Motor vehicle
176 dealers may display their dealer plates on a tractor, truck or trailer to demonstrate a vehicle under
177 a loaded condition. Trailer dealers may display their dealer license plates in like manner, except
178 such plates may only be displayed on trailers owned and held for resale by the trailer dealer.

8. The certificates of number issued pursuant to subsection 3 or 6 of this section may be displayed on any vessel or vessel trailer owned and held for resale by a boat manufacturer or a boat dealer, and used by a customer who is test driving the vessel or vessel trailer, or is used by an employee or officer on a vessel or vessel trailer only, but shall not be displayed on any motor vehicle owned by a boat manufacturer, boat dealer, or trailer dealer, or vessel or vessel trailer hired or loaned to others or upon any regularly used service vessel or vessel trailer. Boat dealers and boat manufacturers may display their certificate of number on a vessel or vessel trailer when transporting a vessel or vessels to an exhibit or show.

9. (1) Every application for the issuance of a used motor vehicle dealer's license shall be accompanied by proof that the applicant, within the last twelve months, has completed an educational seminar course approved by the department as prescribed by subdivision (2) of this subsection. Wholesale and public auto auctions and applicants currently holding a new or used license for a separate dealership shall be exempt from the requirements of this subsection. The provisions of this subsection shall not apply to current new motor vehicle franchise dealers or motor vehicle leasing agencies or applicants for a new motor vehicle franchise or a motor vehicle leasing agency. The provisions of this subsection shall not apply to used motor vehicle dealers who were licensed prior to August 28, 2006.

(2) The educational seminar shall include, but is not limited to, the dealer requirements of sections 301.550 to 301.573, the rules promulgated to implement, enforce, and administer sections 301.550 to 301.570, and any other rules and regulations promulgated by the department.

301.562. 1. The department may refuse to issue or renew any license required pursuant to sections 301.550 to 301.573 for any one or any combination of causes stated in subsection 2 of this section. The department shall notify the applicant or licensee in writing at his or her last known address of the reasons for the refusal to issue or renew the license and shall advise the applicant or licensee of his or her right to file a complaint with the administrative hearing commission as provided by chapter 621, RSMo.

2. The department may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any holder of any license issued under sections 301.550 to 301.573 for any one or any combination of the following causes:

(1) The applicant or license holder was previously the holder of a license issued under sections 301.550 to 301.573, which license was revoked for cause and never reissued by the department, or which license was suspended for cause and the terms of suspension have not been fulfilled;

(2) The applicant or license holder was previously a partner, stockholder, director or officer controlling or managing a partnership or corporation whose license issued under sections

16 301.550 to 301.573 was revoked for cause and never reissued or was suspended for cause and
17 the terms of suspension have not been fulfilled;

18 (3) The applicant or license holder has, within ten years prior to the date of the
19 application, been finally adjudicated and found guilty, or entered a plea of guilty or nolo
20 contendere, in a prosecution under the laws of any state or of the United States, for any offense
21 reasonably related to the qualifications, functions, or duties of any business licensed under
22 sections 301.550 to 301.573; for any offense, an essential element of which is fraud, dishonesty,
23 or an act of violence; or for any offense involving moral turpitude, whether or not sentence is
24 imposed;

25 (4) Use of fraud, deception, misrepresentation, or bribery in securing any license issued
26 pursuant to sections 301.550 to 301.573;

27 (5) Obtaining or attempting to obtain any money, commission, fee, barter, exchange, or
28 other compensation by fraud, deception, or misrepresentation;

29 (6) Violation of, or assisting or enabling any person to violate any provisions of this
30 chapter and chapters 144, 306, 307, 407, 578, and 643, RSMo, or of any lawful rule or regulation
31 adopted pursuant to this chapter and chapters **144**, 306, 307, 407, 578, and 643, RSMo;

32 (7) The applicant or license holder has filed an application for a license which, as of its
33 effective date, was incomplete in any material respect or contained any statement which was, in
34 light of the circumstances under which it was made, false or misleading with respect to any
35 material fact;

36 (8) The applicant or license holder has failed to pay the proper application or license fee
37 or other fees required pursuant to this chapter or chapter 306, RSMo, or fails to establish or
38 maintain a bona fide place of business;

39 (9) Uses or permits the use of any special license or license plate assigned to the license
40 holder for any purpose other than those permitted by law;

41 (10) The applicant or license holder is finally adjudged insane or incompetent by a court
42 of competent jurisdiction;

43 (11) Use of any advertisement or solicitation which is false;

44 (12) Violations of sections 407.511 to 407.556, RSMo, section 578.120, RSMo, which
45 resulted in a conviction or finding of guilt or violation of any federal motor vehicle laws which
46 result in a conviction or finding of guilt.

47 3. Any such complaint shall be filed within one year of the date upon which the
48 department receives notice of an alleged violation of an applicable statute or regulation. After
49 the filing of such complaint, the proceedings shall be conducted in accordance with the
50 provisions of chapter 621, RSMo. Upon a finding by the administrative hearing commission that
51 the grounds, provided in subsection 2 of this section, for disciplinary action are met, the

52 department may, singly or in combination, refuse to issue the person a license, issue a private
53 reprimand, place the person on probation on such terms and conditions as the department deems
54 appropriate for a period of one day to five years, suspend the person's license from one day to
55 six days, or revoke the person's license for such period as the department deems appropriate. The
56 applicant or licensee shall have the right to appeal the decision of the administrative hearing
57 commission and department in the manner provided in chapter 536, RSMo.

58 4. Upon the suspension or revocation of any person's license issued under sections
59 301.550 to 301.573, the department shall recall any distinctive number plates that were issued
60 to that licensee.

301.567. 1. For purposes of this section, a violation of any of the following advertising
2 standards shall be deemed an attempt by the advertising dealer to obtain a fee or other
3 compensation by fraud, deception or misrepresentation in violation of section 301.562:

4 (1) A motor vehicle shall not be advertised as new, either by express terms or
5 implication, unless it is a new motor vehicle as defined in section 301.550;

6 (2) When advertising any motor vehicle which is not a new motor vehicle, such
7 advertisement must expressly identify that the motor vehicle is a used motor vehicle by express
8 use of the term "used", or by such other term as is commonly understood to mean that the vehicle
9 is used;

10 (3) Any terms, conditions, and disclaimers relating to the advertised motor vehicle's price
11 or financing options shall be stated clearly and conspicuously. An asterisk or other reference
12 symbol may be used to point to a disclaimer or other information, but not be used as a means of
13 contradicting or changing the meaning of an advertised statement;

14 (4) The expiration date, if any, of an advertised sale or vehicle price shall be clearly and
15 conspicuously disclosed. In the absence of such disclosure, the advertised sale or vehicle price
16 shall be deemed effective so long as such vehicles remain in the advertising dealership's
17 inventory;

18 (5) The terms "list price", "sticker price", or "suggested retail price" shall be used only
19 in reference to the manufacturer's suggested retail price for new motor vehicles, and, if used,
20 shall be accompanied by a clear and conspicuous disclosure that such terms represent the
21 manufacturer's suggested retail price of the advertised vehicle;

22 (6) Terms such as "at cost", "\$..... above cost", "invoice price", and "\$ below/over
23 invoice" shall not be used in advertisements because of the difficulty in determining a dealer's
24 actual net cost at the time of the sale;

25 (7) When the price or financing terms of a motor vehicle are advertised, the vehicle shall
26 be fully identified as to year, make, and model. In addition, in advertisements placed by
27 individual dealers and not line-make marketing groups, the advertised price or credit terms shall

28 include all charges which the buyer must pay to the dealer, except buyer-selected options and
29 state and local taxes. If a processing fee or freight or destination charges are not included in the
30 advertised price, the amount of any such processing fee and freight or destination charge must
31 be clearly and conspicuously disclosed within the advertisement;

32 (8) Advertisements of dealer rebates shall not be used, however, this shall not be deemed
33 to prohibit the advertising of manufacturer rebates, so long as all material terms of such rebates
34 are clearly and conspicuously disclosed;

35 (9) "Free", "at no cost" shall not be used if any purchase is required to qualify for the free
36 item, merchandise, or service;

37 (10) Bait advertising, in which an advertiser may have no intention to sell at the prices
38 or terms advertised, shall not be used. Bait advertising shall include, but not be limited to, the
39 following examples:

40 (a) Not having available for sale the advertised motor vehicles at the advertised prices.
41 If a specific vehicle is advertised, the dealer shall be in possession of a reasonable supply of such
42 vehicles, and they shall be available at the advertised price. If the advertised vehicle is available
43 only in limited numbers or only by order, such limitations shall be stated in the advertisement;

44 (b) Advertising a motor vehicle at a specified price, including such terms as "as low as
45 \$.....", but having available for sale only vehicles equipped with dealer-added cost options
46 which increase the selling price above the advertised price;

47 (11) Any reference to monthly payments, down payments, or other reference to financing
48 or leasing information shall be accompanied by a clear and conspicuous disclosure of the
49 following:

50 (a) Whether the payment or other information relates to a financing or a lease
51 transaction;

52 (b) If the payment or other information relates to a financing transaction, the minimum
53 down payment, annual percentage interest rate, and number of payments necessary to obtain the
54 advertised payment amount must be disclosed, in addition to any special qualifications required
55 for obtaining the advertised terms including, but not limited to, first-time buyer discounts,
56 college graduate discounts, and a statement concerning whether the advertised terms are subject
57 to credit approval;

58 (c) If the payment or other information relates to a lease transaction, the total amount due
59 from the purchaser at signing with such costs broken down and identified by category, lease term
60 expressed in number of months, whether the lease is closed-end or open-end, and total cost to
61 the lessee over the lease term in dollars;

62 (12) Any advertisement which states or implies that the advertising dealer has a special
63 arrangement or relationship with the distributor or manufacturer, as compared to similarly
64 situated dealers, shall not be used;

65 (13) Any advertisement which, in the circumstances under which it is made or applied,
66 is false, deceptive, or misleading shall not be used;

67 (14) No abbreviations for industry words or phrases shall be used in any advertisement
68 unless such abbreviations are accompanied by the fully spelled or spoken words or phrases.

69 2. The requirements of this section shall apply regardless of whether a dealer advertises
70 by means of print, broadcast, or electronic media, or direct mail. If the advertisement is by means
71 of a broadcast or print media, a dealer may provide the disclaimers and disclosures required
72 under subdivision (3) of subsection 1 of this section by reference to an Internet web page or
73 toll-free telephone number containing the information required to be disclosed.

74 3. Dealers shall clearly and conspicuously identify themselves in each advertisement by
75 use of a dealership name which complies with subsection [6] 1 of section 301.560.

301.570. 1. It shall be unlawful for any person, partnership, corporation, company or
2 association, unless the seller is a financial institution, or is selling repossessed motor vehicles
3 or is disposing of vehicles used and titled solely in its ordinary course of business or is a collector
4 of antique motor vehicles, to sell or display with an intent to sell six or more motor vehicles in
5 a calendar year, except when such motor vehicles are registered in the name of the seller, unless
6 such person, partnership, corporation, company or association is:

7 (1) Licensed as a motor vehicle dealer by the department under the provisions of sections
8 301.550 to 301.573;

9 (2) Exempt from licensure as a motor vehicle dealer pursuant to subsection 4 of section
10 301.559;

11 (3) Selling commercial motor vehicles with a gross weight of at least nineteen thousand
12 five hundred pounds, but only with respect to such commercial motor vehicles;

13 (4) An auctioneer, acting at the request of the owner at an auction, when such auction
14 is not a public motor vehicle auction.

15 2. Any person, partnership, corporation, company or association that has reason to
16 believe that the provisions of this section are being violated shall file a complaint with the
17 prosecuting attorney in the county in which the violation occurred. The prosecuting attorney
18 shall investigate the complaint and take appropriate action.

19 3. For the purposes of sections 301.550 to 301.573, the sale, barter, exchange, lease or
20 rental with option to purchase of six or more motor vehicles in a calendar year by any person,
21 partnership, corporation, company or association, whether or not the motor vehicles are owned
22 by them, shall be prima facie evidence of intent to make a profit or gain of money and such

23 person, partnership, corporation, company or association shall be deemed to be acting as a motor
24 vehicle dealer without a license.

25 4. Any person, partnership, corporation, company or association who violates subsection
26 1 of this section is guilty of a class A misdemeanor. **A second or subsequent conviction shall**
27 **be deemed a class D felony.**

28 5. The provisions of this section shall not apply to liquidation of an estate.

301.574. Notwithstanding any other provision of law, if the director of revenue or
2 **his or her designated representative determines through reasonable means that the place**
3 **of business of a motor vehicle dealer, boat dealer, manufacturer, boat manufacturer, public**
4 **motor vehicle auction, wholesale motor vehicle auction, or wholesale motor vehicle dealer**
5 **licensed under the provisions of sections 301.550 to 301.573 is uninhabited, abandoned, or**
6 **otherwise not inhabited by the licensee, the license of such business shall be immediately**
7 **revoked and ownership of all dealer license plates and all unused temporary permits**
8 **previously issued to the licensee by the department of revenue shall immediately revert**
9 **back to the department of revenue.**

302.220. It shall be unlawful for any person to display or to permit to be displayed, or
2 to have in his possession, any license **or nondriver identification card** knowing the same to be
3 fictitious or to have been canceled, suspended, revoked, disqualified or altered; to lend to or
4 knowingly permit the use of by another any license **or nondriver identification card** issued to
5 the person so lending or permitting the use thereof; to display or to represent as one's own any
6 license **or nondriver identification card** not issued to the person so displaying the same, or fail
7 or refuse to surrender to the clerk of any division of the circuit court [or] , the director **or his or**
8 **her designee**, any license **or nondriver identification card** which has been suspended,
9 canceled, disqualified or revoked, as provided by law **or that the director or his or her**
10 **designee has reasonable suspicion to believe is fictitious**; to use a false or fictitious name or
11 give a false or fictitious address on any application for a license **or nondriver identification**
12 **card**, or any renewal or duplicate thereof, or knowingly to make a false statement, or knowingly
13 to conceal a material fact, or otherwise commit a fraud in any such application; to authorize or
14 consent to any motor vehicle owned by him or under his control to be driven by any person,
15 when he has knowledge that such person has no legal right to do so, or for any person to drive
16 any motor vehicle in violation of any of the provisions of sections 302.010 to 302.780; to employ
17 a person to operate a motor vehicle in the transportation of persons or property, with knowledge
18 that such person has not complied with the provisions of sections 302.010 to 302.780, or whose
19 license has been revoked, suspended, canceled or disqualified; or who fails to produce his or her
20 license upon demand of any person or persons authorized to make such demand.

302.230. Any person who makes a false unsworn statement or affidavit or knowingly
2 swears or affirms falsely as to any matter or thing required by sections 302.010 to 302.540 shall
3 be deemed guilty of a class A misdemeanor. No person who pleads guilty or nolo contendere,
4 or is found guilty of making a false statement or affidavit shall be licensed to operate a motor
5 vehicle for a period of one year after such plea, finding or conviction. **Notwithstanding any**
6 **other provision of law, a prosecution under this section may be commenced within one year**
7 **after the director first discovers the falsity of any statement or affidavit required under**
8 **sections 302.010 to 302.540, provided that no prosecution shall commence more than six**
9 **years after such statement or affidavit was made.**

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