

HOUSE AMENDMENT NO. _____
TO
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Offered By

1 AMEND House Amendment No. _____ to House Committee Substitute for Senate Bill No. 736,
2 Page 21, Line 33, by inserting after all of said line the following:

3
4 "Further amend said bill, Page 24, Section 143.121, Line 261, by inserting after all of said section
5 and line the following:

6
7 "301.560. 1. In addition to the application forms prescribed by the department, each
8 applicant shall submit the following to the department:

9 (1) Every application other than an application for a new motor vehicle franchise dealer
10 where the applicant is a retailer that sells agricultural supplies and is under common ownership and
11 control with at least five other new motor vehicle franchise dealers doing business under the same
12 name, or a renewal application for a new motor vehicle franchise dealer shall include a certification
13 that the applicant has a bona fide established place of business. Such application shall include an
14 annual certification that the applicant has a bona fide established place of business for the first three
15 years and only for every other year thereafter. The certification shall be performed by a uniformed
16 member of the Missouri state highway patrol or authorized or designated employee stationed in the
17 troop area in which the applicant's place of business is located; except that in counties of the first
18 classification, certification may be performed by an officer of a metropolitan police department
19 when the applicant's established place of business of distributing or selling motor vehicles or trailers
20 is in the metropolitan area where the certifying metropolitan police officer is employed. When the
21 application is being made for licensure as a boat manufacturer or boat dealer, certification shall be
22 performed by a uniformed member of the Missouri state highway patrol or authorized or designated
23 employee stationed in the troop area in which the applicant's place of business is located or, if the
24 applicant's place of business is located within the jurisdiction of a metropolitan police department in
25 a first class county, by an officer of such metropolitan police department. A bona fide established
26 place of business for any new motor vehicle franchise dealer, used motor vehicle dealer, boat dealer,
27 powersport dealer, wholesale motor vehicle dealer, trailer dealer, or wholesale or public auction
28 shall be a permanent enclosed building or structure, either owned in fee or leased and actually
29 occupied as a place of business by the applicant for the selling, bartering, trading, servicing, or
30 exchanging of motor vehicles, boats, personal watercraft, or trailers and wherein the public may
31 contact the owner or operator at any reasonable time, and wherein shall be kept and maintained the
32 books, records, files and other matters required and necessary to conduct the business. The
33 applicant shall maintain a working telephone number during the entire registration year which will
34 allow the public, the department, and law enforcement to contact the applicant during regular

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1 business hours. The applicant shall also maintain an email address during the entire registration
2 year which may be used for official correspondence with the department. In order to qualify as a
3 bona fide established place of business for all applicants licensed pursuant to this section there shall
4 be an exterior sign displayed carrying the name of the business set forth in letters at least six inches
5 in height and clearly visible to the public and there shall be an area or lot which shall not be a public
6 street on which multiple vehicles, boats, personal watercraft, or trailers may be displayed. The sign
7 shall contain the name of the dealership by which it is known to the public through advertising or
8 otherwise, which need not be identical to the name appearing on the dealership's license so long as
9 such name is registered as a fictitious name with the secretary of state, has been approved by its
10 line-make manufacturer in writing in the case of a new motor vehicle franchise dealer and a copy of
11 such fictitious name registration has been provided to the department. Dealers who sell only
12 emergency vehicles as defined in section 301.550 are exempt from maintaining a bona fide place of
13 business, including the related law enforcement certification requirements, and from meeting the
14 minimum yearly sales;

15 (2) The initial application for licensure shall include a photograph, not to exceed eight
16 inches by ten inches but no less than five inches by seven inches, showing the business building, lot,
17 and sign. A new motor vehicle franchise dealer applicant who has purchased a currently licensed
18 new motor vehicle franchised dealership shall be allowed to submit a photograph of the existing
19 dealership building, lot and sign but shall be required to submit a new photograph upon the
20 installation of the new dealership sign as required by sections 301.550 to 301.580. Applicants shall
21 not be required to submit a photograph annually unless the business has moved from its previously
22 licensed location, or unless the name of the business or address has changed, or unless the class of
23 business has changed;

24 (3) Every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer, a
25 powersport dealer, a wholesale motor vehicle dealer, trailer dealer, or boat dealer shall furnish with
26 the application a corporate surety bond or an irrevocable letter of credit as defined in section 400.5-
27 102, issued by any state or federal financial institution in the penal sum of fifty thousand dollars on
28 a form approved by the department. The bond or irrevocable letter of credit shall be conditioned
29 upon the dealer complying with the provisions of the statutes applicable to new motor vehicle
30 franchise dealers, used motor vehicle dealers, powersport dealers, wholesale motor vehicle dealers,
31 trailer dealers, and boat dealers, and the bond shall be an indemnity for any loss sustained by reason
32 of the acts of the person bonded when such acts constitute grounds for the suspension or revocation
33 of the dealer's license. The bond shall be executed in the name of the state of Missouri for the
34 benefit of all aggrieved parties or the irrevocable letter of credit shall name the state of Missouri as
35 the beneficiary; except, that the aggregate liability of the surety or financial institution to the
36 aggrieved parties shall, in no event, exceed the amount of the bond or irrevocable letter of credit.
37 Additionally, every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer, a
38 powersport dealer, a wholesale motor vehicle dealer, or boat dealer shall furnish with the application
39 a copy of a current dealer garage policy bearing the policy number and name of the insurer and the
40 insured. The proceeds of the bond or irrevocable letter of credit furnished by an applicant shall be
41 paid upon receipt by the department of a final judgment from a Missouri court of competent
42 jurisdiction against the principal and in favor of an aggrieved party. The proceeds of the bond or
43 irrevocable letter of credit furnished by an applicant shall be paid at the order of the department and
44 in the amount determined by the department to any buyer or interested lienholder up to the greater
45 of the amount required for the release of the purchase money lien or the sales price paid by the
46 buyer where a dealer has failed to fulfill the dealer's obligations under an agreement to assign and
47 deliver title to the buyer within thirty days under a contract entered into pursuant to subsection 5 of
48 section 301.210. The department shall direct release of the bond or irrevocable letter of credit
49 proceeds upon presentation of a written agreement entered into pursuant to subsection 5 of section

1 301.210, copies of the associated sales and finance documents, and the affidavit or affidavits of the
2 buyer or lienholder stating that the certificate of title with assignment thereof has not been passed to
3 the buyer within thirty days of the date of the contract entered into under subsection 5 of section
4 301.210, that the dealer has not fulfilled the agreement under the contract to repurchase the vehicle,
5 that the buyer or the lienholder has notified the dealer of the claim on the bond or letter of credit,
6 and the amount claimed by the purchaser or lienholder. In addition, prior to directing release and
7 payment of the proceeds of a bond or irrevocable letter of credit, the department shall ensure that
8 there is satisfactory evidence to establish that the vehicle which is subject to the written agreement
9 has been returned by the buyer to the dealer or that the buyer has represented to the department that
10 the buyer will surrender possession of the vehicle to the dealer upon payment of the proceeds of the
11 bond or letter of credit directed by the department. Excepting ordinary wear and tear or mechanical
12 failures not caused by the buyer, the amount of proceeds to be paid to the buyer under the bond or
13 irrevocable letter of credit shall be reduced by an amount equivalent to any damage, abuse, or
14 destruction incurred by the vehicle while the vehicle was in the buyer's possession as agreed
15 between the buyer and the dealer. The dealer may apply to a court of competent jurisdiction to
16 contest the claim on the bond or letter of credit, including the amount of the claim and the amount of
17 any adjustment for any damage, abuse, or destruction, by filing a petition with the court within thirty
18 days of the notification by the buyer or lienholder. If the dealer does not fulfill the agreement or file
19 a petition to request judicial relief from the terms of the agreement or contest the amount of the
20 claim, the bond or letter of credit shall be released by the department and directed paid in the
21 amount or amounts presented by the lienholder or buyer;

22 (4) Payment of all necessary license fees as established by the department. In establishing
23 the amount of the annual license fees, the department shall, as near as possible, produce sufficient
24 total income to offset operational expenses of the department relating to the administration of
25 sections 301.550 to 301.580. All fees payable pursuant to the provisions of sections 301.550 to
26 301.580, other than those fees collected for the issuance of dealer plates or certificates of number
27 collected pursuant to subsection 6 of this section, shall be collected by the department for deposit in
28 the state treasury to the credit of the "Motor Vehicle Commission Fund", which is hereby created.
29 The motor vehicle commission fund shall be administered by the Missouri department of revenue.
30 The provisions of section 33.080 to the contrary notwithstanding, money in such fund shall not be
31 transferred and placed to the credit of the general revenue fund until the amount in the motor vehicle
32 commission fund at the end of the biennium exceeds two times the amount of the appropriation
33 from such fund for the preceding fiscal year or, if the department requires permit renewal less
34 frequently than yearly, then three times the appropriation from such fund for the preceding fiscal
35 year. The amount, if any, in the fund which shall lapse is that amount in the fund which exceeds the
36 multiple of the appropriation from such fund for the preceding fiscal year.

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

43 3. Except as otherwise provided in subsection 6 of this section, upon the initial issuance of a
44 license by the department, the department shall assign a distinctive dealer license number or
45 certificate of number to the applicant and the department shall issue one number plate or certificate
46 bearing the distinctive dealer license number or certificate of number and two additional number
47 plates or certificates of number within eight working hours after presentment of the application and
48 payment by the applicant of a fee of fifty dollars for the first plate or certificate and ten dollars and
49 fifty cents for each additional plate or certificate. Upon renewal, the department shall issue the

1 distinctive dealer license number or certificate of number as quickly as possible. The issuance of
 2 such distinctive dealer license number or certificate of number shall be in lieu of registering each
 3 motor vehicle, trailer, vessel or vessel trailer dealt with by a boat dealer, boat manufacturer,
 4 manufacturer, public motor vehicle auction, wholesale motor vehicle dealer, wholesale motor
 5 vehicle auction or new or used motor vehicle dealer. The license plates described in this section
 6 shall be made with fully reflective material with a common color scheme and design, shall be
 7 clearly visible at night, and shall be aesthetically attractive, as prescribed by section 301.130.

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

10
 11 New motor vehicle franchise dealers D-0 through D-999
 12 New powersport dealers D-1000 through D-1999
 13 Used motor vehicle and used powersport dealers D-2000 through D-9999
 14 Wholesale motor vehicle dealers W-0 through W-1999
 15 Wholesale motor vehicle auctions WA-0 through WA-999
 16 New and used trailer dealers T-0 through T-9999
 17 Motor vehicle, trailer, and boat manufacturers DM-0 through DM-999
 18 Public motor vehicle auctions A-0 through A-1999
 19 Boat dealers M-0 through M-9999
 20 New and used recreational motor vehicle dealers RV-0 through RV-999
 21
 22

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

35 5. Upon the sale of a currently licensed motor vehicle dealership the department shall, upon
 36 request, authorize the new approved dealer applicant to retain the selling dealer's license number and
 37 shall cause the new dealer's records to indicate such transfer. If the new approved dealer applicant
 38 elects not to retain the selling dealer's license number, the department shall issue the new dealer
 39 applicant a new dealer's license number and an equal number of plates or certificates as the
 40 department had issued to the selling dealer.

41 6. In the case of motor vehicle dealers, the department shall issue one number plate bearing
 42 the distinctive dealer license number and may issue one additional number plate to the applicant
 43 upon payment by the dealer of a fifty dollar fee for the number plate bearing the distinctive dealer
 44 license number and ten dollars and fifty cents for the additional number plate. The department may
 45 issue a third plate to the motor vehicle dealer upon completion of the dealer's fifteenth qualified
 46 transaction and payment of a fee of ten dollars and fifty cents. In the case of new motor vehicle
 47 manufacturers, powersport dealers, recreational motor vehicle dealers, and trailer dealers, the
 48 department shall issue one number plate bearing the distinctive dealer license number and may issue
 49 two additional number plates to the applicant upon payment by the manufacturer or dealer of a fifty

1 dollar fee for the number plate bearing the distinctive dealer license number and ten dollars and fifty
2 cents for each additional number plate. Boat dealers and boat manufacturers shall be entitled to one
3 certificate of number bearing such number upon the payment of a fifty dollar fee. Additional
4 number plates and as many additional certificates of number may be obtained upon payment of a fee
5 of ten dollars and fifty cents for each additional plate or certificate. New motor vehicle
6 manufacturers shall not be issued or possess more than three hundred forty-seven additional number
7 plates or certificates of number annually. New and used motor vehicle dealers, powersport dealers,
8 wholesale motor vehicle dealers, boat dealers, and trailer dealers are limited to one additional plate
9 or certificate of number per ten-unit qualified transactions annually. New and used recreational
10 motor vehicle dealers are limited to two additional plates or certificate of number per ten-unit
11 qualified transactions annually for their first fifty transactions and one additional plate or certificate
12 of number per ten-unit qualified transactions thereafter. An applicant seeking the issuance of an
13 initial license shall indicate on his or her initial application the applicant's proposed annual number
14 of sales in order for the director to issue the appropriate number of additional plates or certificates of
15 number. A motor vehicle dealer, trailer dealer, boat dealer, powersport dealer, recreational motor
16 vehicle dealer, motor vehicle manufacturer, boat manufacturer, or wholesale motor vehicle dealer
17 obtaining a distinctive dealer license plate or certificate of number or additional license plate or
18 additional certificate of number, throughout the calendar year, shall be required to pay a fee for such
19 license plates or certificates of number computed on the basis of one-twelfth of the full fee
20 prescribed for the original and duplicate number plates or certificates of number for such dealers'
21 licenses, multiplied by the number of months remaining in the licensing period for which the dealer
22 or manufacturers shall be required to be licensed. In the event of a renewing dealer, the fee due at
23 the time of renewal shall not be prorated. Wholesale and public auctions shall be issued a certificate
24 of dealer registration in lieu of a dealer number plate. In order for dealers to obtain number plates or
25 certificates under this section, dealers shall submit to the department of revenue on August first of
26 each year a statement certifying, under penalty of perjury, the dealer's number of sales during the
27 reporting period of July first of the immediately preceding year to June thirtieth of the present year.

28 7. The plates issued pursuant to subsection 3 or 6 of this section may be displayed on any
29 motor vehicle owned by a new motor vehicle manufacturer. The plates issued pursuant to
30 subsection 3 or 6 of this section may be displayed on any motor vehicle or trailer owned and held
31 for resale by a motor vehicle dealer for use by a customer who is test driving the motor vehicle, for
32 use by any customer while the customer's vehicle is being serviced or repaired by the motor vehicle
33 dealer, for use and display purposes during, but not limited to, parades, private events, charitable
34 events, or for use by an employee or officer, but shall not be displayed on any motor vehicle or
35 trailer hired or loaned to others or upon any regularly used service or wrecker vehicle. Motor
36 vehicle dealers may display their dealer plates on a tractor, truck or trailer to demonstrate a vehicle
37 under a loaded condition. Trailer dealers may display their dealer license plates in like manner,
38 except such plates may only be displayed on trailers owned and held for resale by the trailer dealer.

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

47 9. If any law enforcement officer has probable cause to believe that any license plate or
48 certificate of number issued under subsection 3 or 6 of this section is being misused in violation of
49 subsection 7 or 8 of this section, the license plate or certificate of number may be seized and

1 surrendered to the department.

2 10. (1) Every application for the issuance of a used motor vehicle dealer's license shall be
3 accompanied by proof that the applicant, within the last twelve months, has completed an
4 educational seminar course approved by the department as prescribed by subdivision (2) of this
5 subsection. Wholesale and public auto auctions and applicants currently holding a new or used
6 license for a separate dealership shall be exempt from the requirements of this subsection. The
7 provisions of this subsection shall not apply to current new motor vehicle franchise dealers or motor
8 vehicle leasing agencies or applicants for a new motor vehicle franchise or a motor vehicle leasing
9 agency. The provisions of this subsection shall not apply to used motor vehicle dealers who were
10 licensed prior to August 28, 2006.

11 (2) The educational seminar shall include, but is not limited to, the dealer requirements of
12 sections 301.550 to 301.580, the rules promulgated to implement, enforce, and administer sections
13 301.550 to 301.580, and any other rules and regulations promulgated by the department."; and"; and
14

15 Further amend said bill by amending the title, enacting clause, and intersectional references
16 accordingly.
17

18 THIS AMENDMENT AMENDS 3120H06.13H.