

HB 979 -- SPECIAL EVENT MOTOR VEHICLE AUCTION LICENSES

SPONSOR: Wood

COMMITTEE ACTION: Voted "do pass" by the Committee on Small Business by a vote of 10 to 0.

This bill allows the Department of Revenue to issue a special event motor vehicle auction license to an applicant for the purpose of auctioning motor vehicles if 90% or more of the vehicles are at least 10 years old or older. Auctions can be held for no more than three consecutive days, but no more than two times in a calendar year by the same licensee. A report must be sent to the department director within 10 days of the conclusion of the auction on a department-approved form specifying the make, model, year, and vehicle identification number of every vehicle included in the auction. Anyone violating this provision will be guilty of a class A misdemeanor and will be charged a \$500 administrative fee payable to the department for each vehicle auctioned in violation of this provision.

A special event motor vehicle auction will be considered a public motor vehicle auction for purposes of licensing and inspection of certain documents and odometer readings; however, the licensee will not be required to have a bona fide established place of business.

Applications to hold an auction must be received by the department at least 90 days prior to the event. Applicants must be registered to conduct business in this state, pay a licensing fee of \$1,000, and be bonded or have an irrevocable letter of credit in the amount of \$100,000. Applicants will be responsible for ensuring that a sales tax license or special event sales tax license is obtained if required.

FISCAL NOTE: No impact on General Revenue Fund in FY 2010, FY 2011, and FY 2012. Estimated Income on Other State Funds of Unknown - Expected to be less than \$100,000 in FY 2010, FY 2011, and FY 2012.

PROPOSERS: Supporters say that the Department of Revenue regulates licensing of dealers for auctions and the sale of automobiles. Branson Landing, Branson's new convention center, and the Branson Collector Car Auction must meet the regulations of the state and the city in order to have an antique car auction at the center. They have antique and collector car auctions twice a year. It is difficult to meet all the requirements. The antique auctions at Branson are good for tourism. Collector and antique cars are a \$30 billion industry. The Branson auction

spends \$200,000 on advertising across the nation and in other countries. Approximately, \$2 to \$3 million is spent by the auction attendees while in town for the auction.

Testifying for the bill were Representative Wood; and James Cox, Branson Collector Car Auction.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that the department does not see any problems with the provisions and reporting requirements of the bill.

Testifying on the bill was Department of Revenue.