

SECOND REGULAR SESSION

# HOUSE BILL NO. 1636

95TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE WASSON.

4261L.011

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To amend chapter 301, RSMo, by adding thereto one new section relating to special event motor vehicle auction licenses, with penalty provisions.

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

Section A. Chapter 301, RSMo, is amended by adding thereto one new section, to be  
2 known as section 301.580, to read as follows:

**301.580. 1. The department of revenue may issue special event motor vehicle  
2 auction licenses under the provisions of this section. For purposes of this section, a "special  
3 event motor vehicle auction" is a motor vehicle auction in which:**

4 **(1) Ninety percent of the vehicles being auctioned are at least ten years old or older;**  
5 **and**

6 **(2) The duration is no more than three consecutive calendar days and is held no  
7 more than two times in a calendar year by a licensee.**

8 **2. A special event motor vehicle auction shall be considered a public motor vehicle  
9 auction, for purposes of sections 301.559 and 301.564.**

10 **3. Special event motor vehicle auction licensees shall be exempt from the  
11 requirements of section 301.560, with the exception of subdivision (4) of subsection 1 of  
12 section 301.560.**

13 **4. Application for a special event motor vehicle auction license must be received by  
14 the department at least ninety days prior to the beginning of the special event auction.**

15 **5. Applicants for a special event motor vehicle auction are limited to no more than  
16 two special event auctions in any calendar year. A separate application is required for  
17 each special event motor vehicle auction.**

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.

18           **6. At least ninety percent of the vehicles being auctioned at a special event motor**  
19 **vehicle auction shall be ten years old or older. The licensee shall, within ten days of the**  
20 **conclusion of a special event motor vehicle auction, submit a report in the form approved**  
21 **by the director to the department that includes the make, model, year, and vehicle**  
22 **identification number of each vehicle included in the auction. Every vehicle included in**  
23 **the special event auction shall be listed, including those vehicles that were auctioned and**  
24 **sold and those vehicles that were auctioned but did not sell. Violation of this subsection**  
25 **is a class A misdemeanor.**

26           **7. The applicant for the special event motor vehicle auction shall be responsible for**  
27 **ensuring that a sales tax license or special event sales tax license is obtained for the event**  
28 **if one is required.**

29           **8. The fee for a special event motor vehicle auction license shall be one thousand**  
30 **dollars. For every vehicle auctioned in violation of subsection 6 of this section, an**  
31 **administrative fee of five hundred dollars shall be paid to the department. Such fees shall**  
32 **be deposited in like manner as other license fees of this section.**

33           **9. In addition to the causes set forth in section 301.562, the department may**  
34 **promulgate rules that establish additional causes to refuse to issue or to revoke a special**  
35 **event license.**

36           **10. A special motor vehicle auction shall last no more than three consecutive days.**

37           **11. The applicant for a special event motor vehicle auction shall be registered to**  
38 **conduct business in this state.**

39           **12. Every applicant for a special event motor vehicle auction license shall furnish**  
40 **with the application a corporate surety bond or an irrevocable letter of credit as defined**  
41 **in section 400.5-103 issued by any state or federal financial institution in the penal sum of**  
42 **one hundred thousand dollars on a form approved by the department. The bond or**  
43 **irrevocable letter of credit shall be conditioned upon the applicant complying with the**  
44 **provisions of the statutes applicable to a special event auction license holder and the bond**  
45 **shall be an indemnity for any loss sustained by reason of the acts of the person bonded**  
46 **when such acts constitute grounds for the revocation or denial of a special event auction**  
47 **license. The bond shall be executed in the name of the state of Missouri for the benefit of**  
48 **all aggrieved parties or the irrevocable letter of credit shall name the state of Missouri as**  
49 **the beneficiary. The aggregate liability of the surety or financial institution to the**  
50 **aggrieved parties shall not exceed the amount of the bond or irrevocable letter of credit.**  
51 **The proceeds of the bond or irrevocable letter of credit shall be paid upon receipt by the**  
52 **department of a final judgment from a Missouri court of competent jurisdiction against**  
53 **the principal and in favor of an aggrieved party.**

54           **13. No dealer, driveaway, auction, or wholesale plates, or temporary permit**  
55 **booklets, shall be issued in conjunction with a special event motor vehicle auction license.**

56           **14. Any person or entity who sells a vehicle at a special event motor vehicle auction**  
57 **shall provide, to the buyer, current contact information including, but not limited to, name,**  
58 **address, and telephone number.**

59           **15. Any rule or portion of a rule, as that term is defined in section 536.010, that is**  
60 **created under the authority delegated in this section shall become effective only if it**  
61 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
62 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**  
63 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**  
64 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**  
65 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2010,**  
66 **shall be invalid and void.**

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