

SECOND REGULAR SESSION

HOUSE BILL NO. 2087

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BROWN (149) (Sponsor), DIEHL, GATSCHENBERGER,
WRIGHT, FRANZ, LAIR, LARGENT AND FLANIGAN (Co-sponsors).

3772L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

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

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.**

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.

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.**

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 license shall be**
38 **registered to 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, RSMo, issued by any state or federal financial institution in the penal**
42 **sum of one hundred thousand dollars on a form approved by the department. The bond**
43 **or 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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