

SECOND REGULAR SESSION

HOUSE BILL NO. 2122

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE ENGLER.

5890H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 301.213, 301.550, 301.553, 301.557, 301.559, 301.560, 301.562, 301.563, 301.564, 301.566, 301.568, and 301.570, RSMo, and to enact in lieu thereof twelve new sections relating to vehicle sales.

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

Section A. Sections 301.213, 301.550, 301.553, 301.557, 301.559, 301.560, 301.562, 2 301.563, 301.564, 301.566, 301.568, and 301.570, RSMo, are repealed and twelve new sections 3 enacted in lieu thereof, to be known as sections 301.213, 301.550, 301.553, 301.557, 301.559, 4 301.560, 301.562, 301.563, 301.564, 301.566, 301.568, and 301.570, to read as follows:

301.213. 1. Notwithstanding the provisions of sections 301.200 and 301.210, any person 2 licensed as a motor vehicle dealer under sections 301.550 to 301.580 that has provided to the 3 director of revenue a surety bond or irrevocable letter of credit in an amount not less than one 4 hundred thousand dollars in a form which complies with the requirements of section 301.560 and 5 in lieu of the ~~twenty-five~~ **fifty** thousand dollar bond otherwise required for licensure as a motor 6 vehicle dealer shall be authorized to purchase or accept in trade any motor vehicle for which 7 there has been issued a certificate of ownership, and to receive such vehicle subject to any 8 existing liens thereon created and perfected under sections 301.600 to 301.660 provided the 9 licensed dealer receives the following:

- 10 (1) A signed written contract between the licensed dealer and the owner of the vehicle 11 outlining the terms of the sale or acceptance in trade of such motor vehicle without transfer of 12 the certificate of ownership; and 13 (2) Physical delivery of the vehicle to the licensed dealer; and

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 (3) A power of attorney from the owner to the licensed dealer, in accordance with
15 subsection 4 of section 301.300, authorizing the licensed dealer to obtain a duplicate or
16 replacement title in the owner's name and sign any title assignments on the owner's behalf.

17 2. If the dealer complies with the requirements of subsection 1 of this section, the sale
18 or trade of the vehicle to the dealer shall be considered final, subject to any existing liens created
19 and perfected under sections 301.600 to 301.660. Once the prior owner of the motor vehicle has
20 physically delivered the motor vehicle to the licensed dealer, the prior owners' insurable interest
21 in such vehicle shall cease to exist.

22 3. If a licensed dealer complies with the requirements of subsection 1 of this section, and
23 such dealer has provided to the director of revenue a surety bond or irrevocable letter of credit
24 in amount not less than one hundred thousand dollars in a form which complies with the
25 requirements of section 301.560 and in lieu of the ~~[twenty-five]~~ **fifty** thousand dollar bond
26 otherwise required for licensure as a motor vehicle dealer, such dealer may sell such vehicle prior
27 to receiving and assigning to the purchaser the certificate of ownership, provided such dealer
28 complies with the following:

29 (1) All outstanding liens created on the vehicle pursuant to sections 301.600 to 301.660
30 have been paid in full, and the dealer provides a copy of proof or other evidence to the purchaser;
31 and

32 (2) The dealer has obtained proof or other evidence from the department of revenue
33 confirming that no outstanding child support liens exist upon the vehicle at the time of sale and
34 provides a copy of said proof or other evidence to the purchaser; and

35 (3) The dealer has obtained proof or other evidence from the department of revenue
36 confirming that all applicable state sales tax has been satisfied on the sale of the vehicle to the
37 previous owner and provides a copy of said proof or other evidence to the purchaser; and

38 (4) The dealer has signed an application for duplicate or replacement title for the vehicle
39 under subsection 4 of section 301.300 and provides a copy of the application to the purchaser,
40 along with a copy of the power of attorney required by subsection 1 of this section, and the dealer
41 has prepared and delivered to the purchaser an application for title for the vehicle in the
42 purchaser's name; and

43 (5) The dealer and the purchaser have entered into a written agreement for the
44 subsequent assignment and delivery of such certificate of ownership, on a form prescribed by the
45 director of revenue, to take place at a time, not to exceed sixty calendar days, after the time of
46 delivery of the motor vehicle to the purchaser. Such agreement shall require the purchaser to
47 provide to the dealer proof of financial responsibility in accordance with chapter 303 and proof
48 of comprehensive and collision coverage on the motor vehicle. Such dealer shall maintain the
49 original or an electronic copy of the signed agreement and deliver a copy of the signed agreement

50 to the purchaser. Such dealer shall also complete and deliver to the director of revenue such
51 form as the director shall prescribe demonstrating that the purchaser has purchased the vehicle
52 without contemporaneous delivery of the title.

53 Notwithstanding any provision of law to the contrary, completion of the requirements of this
54 subsection shall constitute prima facie evidence of an ownership interest vested in the purchaser
55 of the vehicle for all purposes other than for a subsequent transfer of ownership of the vehicle
56 by the purchaser, subject to the rights of any secured lienholder of record; however, the purchaser
57 may use the dealer-supplied copy of the agreement to transfer his or her ownership of the vehicle
58 to an insurance company in situations where the vehicle has been declared salvage or a total loss
59 by the insurance company as a result of a settlement of a claim. Such insurance company may
60 apply for a salvage certificate of title or junking certificate pursuant to the provisions of
61 subsection 3 of section 301.193 in order to transfer its interest in such vehicle. The purchaser
62 may also use the dealer-supplied copy of the agreement on the form prescribed by the director
63 of revenue as proof of ownership interest. Any lender or insurance company may rely upon a
64 copy of the signed written agreement on the form prescribed by the director of revenue as proof
65 of ownership interest. Any lien placed upon a vehicle based upon such signed written agreement
66 shall be valid and enforceable, notwithstanding the absence of a certificate of ownership.

67 4. Following a sale or other transaction in which a certificate of ownership has not been
68 assigned from the owner to the licensed dealer, the dealer shall, within ten business days, apply
69 for a duplicate or replacement certificate of ownership. Upon receipt of a duplicate or
70 replacement certificate of ownership applied for under subsection 4 of section 301.300, the
71 dealer shall assign and deliver said certificate of ownership to the purchaser of the vehicle within
72 five business days. The dealer shall maintain proof of the assignment and delivery of the
73 certificate of ownership to the purchaser. For purposes of this subsection, a dealer shall be
74 deemed to have delivered the certificate of ownership to the purchaser upon either:

75 (1) Physical delivery of the certificate of ownership to any of the purchasers identified
76 in the contract with such dealer; or

77 (2) Mailing of the certificate, postage prepaid, return receipt requested, to any of the
78 purchasers at any of their addresses identified in the contract with such dealer.

79 5. If a licensed dealer fails to comply with subsection 3 of this section, and the purchaser
80 of the vehicle is thereby damaged, then the dealer shall be liable to the purchaser of the vehicle
81 for actual damages, plus court costs and reasonable attorney fees.

82 6. If a licensed dealer fails or is unable to comply with subsection 4 of this section, and
83 the purchaser of the vehicle is thereby damaged, then the dealer shall be liable to the purchaser
84 of the vehicle for actual damages, plus court costs and reasonable attorney fees. If the dealer
85 cannot be found by the purchaser after making reasonable attempts, or if the dealer fails to assign

86 and deliver the duplicate or replacement certificate of ownership to the purchaser by the date
87 agreed upon by the dealer and the purchaser, as required by subsection 4 of this section, then the
88 purchaser may deliver to the director a copy of the contract for sale of the vehicle, a copy of the
89 application for duplicate title provided by the dealer to the purchaser, a copy of the secure power
90 of attorney allowing the dealer to assign the duplicate title, and the proof or other evidence
91 obtained by the purchaser from the dealer under subsection 3 of this section. Thereafter, the
92 director shall mail by certified mail, return receipt requested, a notice to the dealer at the last
93 address given to the department by that dealer. That notice shall inform the dealer that the
94 director intends to cancel any prior certificate of title which may have been issued to the dealer
95 on the vehicle and issue to the purchaser a certificate of title in the name of the purchaser, subject
96 to any liens incurred by the purchaser in connection with the purchase of the vehicle, unless the
97 dealer, within ten business days from the date of the director's notice, files with the director a
98 written objection to the director taking such action. If the dealer does file a timely, written
99 objection with the director, then the director shall not take any further action without an order
100 from a court of competent jurisdiction. However, if the dealer does not file a timely, written
101 objection with the director, then the director shall cancel the prior certificate of title issued to the
102 dealer on the vehicle and issue a certificate of title to the purchaser of the vehicle, subject to any
103 liens incurred by the purchaser in connection with the purchase of the vehicle and subject to the
104 purchaser satisfying all applicable taxes and fees associated with registering the vehicle.

105 7. If a seller misrepresents to a dealer that the seller is the owner of a vehicle and the
106 dealer, the owner, any subsequent purchaser, or any prior or subsequent lienholder is thereby
107 damaged, then the seller shall be liable to each such party for actual and punitive damages, plus
108 court costs and reasonable attorney fees.

109 8. When a lienholder is damaged as a result of a licensed dealer's acts, errors, omissions,
110 or violations of this section, then the dealer shall be liable to the lienholder for actual damages,
111 plus court costs and reasonable attorney fees.

112 9. No court costs or attorney fees shall be awarded under this section unless, prior to
113 filing any such action, the following conditions have been met:

114 (1) The aggrieved party seeking damages has delivered an itemized written demand of
115 the party's actual damages to the party from whom damages are sought; and

116 (2) The party from whom damages are sought has not satisfied the written demand
117 within thirty days after receipt of the written demand.

118 10. The department of revenue may use a dealer's repeated or intentional violation of this
119 section as a cause to suspend, revoke, or refuse to issue or renew any license required pursuant
120 to sections 301.550 to 301.580, in addition to the causes set forth in section 301.562. The
121 hearing process shall be the same as that established in subsection 6 of section 301.562.

301.550. 1. The definitions contained in section 301.010 shall apply to sections 301.550
2 to ~~[301.573]~~ **301.580**, and in addition as used in sections 301.550 to ~~[301.573]~~ **301.580**, the
3 following terms mean:

4 (1) "Boat dealer", any natural person, partnership, or corporation who, for a commission
5 or with an intent to make a profit or gain of money or other thing of value, sells, barter,
6 exchanges, leases or rents with the option to purchase, offers, attempts to sell, or negotiates the
7 sale of any vessel or vessel trailer, whether or not the vessel or vessel trailer is owned by such
8 person. The sale of six or more vessels or vessel trailers or both in any calendar year shall be
9 required as evidence that such person is eligible for licensure as a boat dealer under sections
10 301.550 to ~~[301.573]~~ **301.580**. The boat dealer shall demonstrate eligibility for renewal of his
11 license by selling six or more vessels or vessel trailers or both in the prior calendar year while
12 licensed as a boat dealer pursuant to sections 301.550 to ~~[301.573]~~ **301.580**;

13 (2) "Boat manufacturer", any person engaged in the manufacturing, assembling or
14 modification of new vessels or vessel trailers as a regular business, including a person,
15 partnership or corporation which acts for and is under the control of a manufacturer or assembly
16 in connection with the distribution of vessels or vessel trailers;

17 (3) "Department", the Missouri department of revenue;

18 (4) "Director", the director of the Missouri department of revenue;

19 (5) "Emergency vehicles", motor vehicles used as ambulances, law enforcement vehicles,
20 and fire fighting and assistance vehicles;

21 (6) "Manufacturer", any person engaged in the manufacturing, assembling or
22 modification of new motor vehicles or trailers as a regular business, including a person,
23 partnership or corporation which acts for and is under the control of a manufacturer or assembly
24 in connection with the distribution of motor vehicles or accessories for motor vehicles;

25 (7) "Motor vehicle broker", a person who holds himself out through solicitation,
26 advertisement, or otherwise as one who offers to arrange a transaction involving the retail sale
27 of a motor vehicle, and who is not:

28 (a) A dealer, or any agent, or any employee of a dealer when acting on behalf of a dealer;

29 (b) A manufacturer, or any agent, or employee of a manufacturer when acting on behalf
30 of a manufacturer;

31 (c) The owner of the vehicle involved in the transaction; or

32 (d) A public motor vehicle auction or wholesale motor vehicle auction where buyers are
33 licensed dealers in this or any other jurisdiction;

34 (8) "Motor vehicle dealer" or "dealer", any person who, for commission or with an intent
35 to make a profit or gain of money or other thing of value, sells, barter, exchanges, leases or rents
36 with the option to purchase, or who offers or attempts to sell or negotiates the sale of motor

37 vehicles or trailers whether or not the motor vehicles or trailers are owned by such person;
38 provided, however, an individual auctioneer or auction conducted by an auctioneer licensed
39 pursuant to chapter 343 shall not be included within the definition of a motor vehicle dealer. The
40 sale of ~~[six]~~ **twenty-four** or more motor vehicles or trailers in any calendar year shall be required
41 as evidence that such person is engaged in the motor vehicle business and is eligible for licensure
42 as a motor vehicle dealer under sections 301.550 to ~~[301.573]~~ **301.580**. ~~[Any motor vehicle~~
43 ~~dealer licensed before August 28, 2007, shall be required to meet the minimum calendar year~~
44 ~~sales of six or more motor vehicles provided the dealer can prove the business achieved,~~
45 ~~cumulatively, six or more sales per year for the preceding twenty-four months in business, or if~~
46 ~~the dealer has not been in business for twenty-four months, the cumulative equivalent of one sale~~
47 ~~every two months for the months the dealer has been in business before August 28, 2007.] Any~~
48 licensed motor vehicle dealer failing to meet the minimum vehicle sales requirements as
49 referenced in this subsection shall not be qualified to renew his or her license for one year. **To**
50 **be eligible for license renewal**, applicants ~~[who reapply after the one-year period]~~ shall meet
51 the **minimum** requirement of ~~[six]~~ **twenty-four** sales per year;

52 (9) "New motor vehicle", any motor vehicle being transferred for the first time from a
53 manufacturer, distributor or new vehicle dealer which has not been registered or titled in this
54 state or any other state and which is offered for sale, barter or exchange by a dealer who is
55 franchised to sell, barter or exchange that particular make of motor vehicle. The term "new
56 motor vehicle" shall not include manufactured homes, as defined in section 700.010;

57 (10) "New motor vehicle franchise dealer", any motor vehicle dealer who has been
58 franchised to deal in a certain make of motor vehicle by the manufacturer or distributor of that
59 make and motor vehicle and who may, in line with conducting his business as a franchise dealer,
60 sell, barter or exchange used motor vehicles;

61 (11) "Person" includes an individual, a partnership, corporation, an unincorporated
62 society or association, joint venture or any other entity;

63 (12) "Powersport dealer", any motor vehicle dealer who sells, either pursuant to a
64 franchise agreement or otherwise, primarily motor vehicles including but not limited to
65 motorcycles, all-terrain vehicles, and personal watercraft, as those terms are defined in this
66 chapter and chapter 306;

67 (13) "Public motor vehicle auction", any person, firm or corporation who takes
68 possession of a motor vehicle whether by consignment, bailment or any other arrangement,
69 except by title, for the purpose of selling motor vehicles at a public auction by a licensed
70 auctioneer;

71 (14) "Recreational motor vehicle dealer", a dealer of new or used motor vehicles
72 designed, constructed or substantially modified for use as temporary housing quarters, including

73 sleeping and eating facilities which are either permanently attached to the motor vehicle or
74 attached to a unit which is securely attached to the motor vehicle;

75 (15) "Storage lot", an area within the same city or county where a dealer may store
76 excess vehicle inventory;

77 (16) "Trailer dealer", any person selling, either exclusively or otherwise, trailers as
78 defined in section 301.010. A trailer dealer may acquire a motor vehicle for resale only as a
79 trade-in for a trailer. Notwithstanding the provisions of section 301.010 and section 301.069,
80 trailer dealers may purchase one driveaway license plate to display such motor vehicle for
81 demonstration purposes. The sale of six or more trailers in any calendar year shall be required
82 as evidence that such person is engaged in the trailer business and is eligible for licensure as a
83 trailer dealer under sections 301.550 to ~~[301.573]~~ **301.580**. ~~[Any trailer dealer licensed before~~
84 ~~August 28, 2007, shall be required to meet the minimum calendar year sales of six or more~~
85 ~~trailers provided the dealer can prove the business achieved, cumulatively, six or more sales per~~
86 ~~year for the preceding twenty-four months in business; or if the dealer has not been in business~~
87 ~~for twenty-four months, the cumulative equivalent of one sale every two months for the months~~
88 ~~the dealer has been in business before August 28, 2007.]~~ Any licensed trailer dealer failing to
89 meet the minimum trailer and vehicle sales requirements as referenced in this subsection shall
90 not be qualified to renew his or her license for one year. Applicants who reapply after the
91 one-year period shall meet the requirement of six sales per year;

92 (17) "Used motor vehicle", any motor vehicle which is not a new motor vehicle, as
93 defined in sections 301.550 to ~~[301.573]~~ **301.580**, and which has been sold, bartered, exchanged
94 or given away or which may have had a title issued in this state or any other state, or a motor
95 vehicle so used as to be what is commonly known as a secondhand motor vehicle. In the event
96 of an assignment of the statement of origin from an original franchise dealer to any individual
97 or other motor vehicle dealer other than a new motor vehicle franchise dealer of the same make,
98 the vehicle so assigned shall be deemed to be a used motor vehicle and a certificate of ownership
99 shall be obtained in the assignee's name. The term "used motor vehicle" shall not include
100 manufactured homes, as defined in section 700.010;

101 (18) "Used motor vehicle dealer", any motor vehicle dealer who is not a new motor
102 vehicle franchise dealer;

103 (19) "Vessel", every boat and watercraft defined as a vessel in section 306.010;

104 (20) "Vessel trailer", any trailer, as defined by section 301.010 which is designed and
105 manufactured for the purposes of transporting vessels;

106 (21) "Wholesale motor vehicle auction", any person, firm or corporation in the business
107 of providing auction services solely in wholesale transactions at its established place of business
108 in which the purchasers are motor vehicle dealers licensed by this or any other jurisdiction, and

109 which neither buys, sells nor owns the motor vehicles it auctions in the ordinary course of its
110 business. Except as required by law with regard to the auction sale of a government-owned
111 motor vehicle, a wholesale motor vehicle auction shall not provide auction services in connection
112 with the retail sale of a motor vehicle;

113 (22) "Wholesale motor vehicle dealer", a motor vehicle dealer who sells motor vehicles
114 only to other new motor vehicle franchise dealers or used motor vehicle dealers or via auctions
115 limited to other dealers of any class.

116 2. For purposes of sections 301.550 to ~~[301.573]~~ **301.580**, neither the term motor vehicle
117 nor the term trailer shall include manufactured homes, as defined in section 700.010.

118 3. Dealers shall be divided into classes as follows:

- 119 (1) Boat dealers;
- 120 (2) Franchised new motor vehicle dealers;
- 121 (3) Used motor vehicle dealers;
- 122 (4) Wholesale motor vehicle dealers;
- 123 (5) Recreational motor vehicle dealers;
- 124 (6) Historic motor vehicle dealers;
- 125 (7) Classic motor vehicle dealers;
- 126 (8) Powersport dealers; and
- 127 (9) Trailer dealers.

301.553. 1. The department of revenue shall be responsible for the licensing of all
2 manufacturers, motor vehicle dealers, boat dealers, wholesale motor vehicle auctions, public
3 motor vehicle auctions and wholesale motor vehicle dealers pursuant to the provisions of
4 sections 301.550 to ~~[301.573]~~ **301.580** and the rules and regulations which it may adopt.

5 2. All the powers, duties and functions of the Missouri motor vehicle commission,
6 sections 301.550 to 301.573, in effect immediately prior to July 1, 1997, are transferred by type
7 I transfer, as provided in the Omnibus State Reorganization Act of 1974, to the department of
8 revenue. The rules and regulations adopted by the commission which were adopted pursuant to
9 this section prior to July 1, 1997, shall continue in effect after July 1, 1997.

10 3. All orders or decisions of the department shall be in writing, signed by the director and
11 the official seal affixed thereto.

12 4. The department shall have the authority to promulgate those rules and regulations
13 necessary to perform the provisions of sections 301.550 to ~~[301.573]~~ **301.580** and is vested with
14 those powers and duties necessary and proper to enable it to fully and effectively carry out the
15 provisions of sections 301.550 to ~~[301.573]~~ **301.580**. No rule or portion of a rule promulgated
16 under the authority of sections 301.550 to ~~[301.573]~~ **301.580** shall become effective unless it has
17 been promulgated pursuant to the provisions of section 536.024.

301.557. 1. The duties of the director shall include, but not be limited to:

- 2 (1) The supervision and direction of the activities of the department's employees;
- 3 (2) Keeping custody of the department's official seal and affixing of this seal to all
- 4 licenses and orders issued by the department pursuant to sections 301.550 to ~~[301.573]~~ **301.580**;
- 5 (3) The receipt and prompt disposition of all correspondence or inquiries directed to the
- 6 department;
- 7 (4) Maintaining a record of total number of annual new motor vehicle sales by individual
- 8 franchise dealers and a separate record of total annual used motor vehicle sales by individual
- 9 motor vehicle dealers from the director of revenue. These records will be available for public
- 10 inspection;
- 11 (5) Being the custodian of the files and records of the department;
- 12 (6) The performance of any other duty required in the enforcement of sections 301.550
- 13 to ~~[301.573]~~ **301.580**.

14 2. The director shall receive complaints concerning its licensee's business or professional
15 practices. The complaints shall be logged into record, the record shall include at a minimum,
16 the licensee's name, the name of the complaining party, if given, the date of the complaint and
17 a brief statement of the complaint and its ultimate disposition. Notwithstanding any provisions
18 of law to the contrary, such complaint shall be kept in confidence by the director until such time
19 as formal proceedings are filed with the director, or the director disposes of the complaint in
20 accordance with section 301.562; provided that upon inquiry from a licensee against whom a
21 complaint has been received, the director shall acknowledge to the licensee that a complaint has
22 been made. The licensee shall have access to all complaints and information contained therein.

301.559. 1. It shall be unlawful for any person to engage in business as or act as a motor
2 vehicle dealer, boat dealer, manufacturer, boat manufacturer, public motor vehicle auction,
3 wholesale motor vehicle auction or wholesale motor vehicle dealer without first obtaining a
4 license from the department as required in sections 301.550 to ~~[301.573]~~ **301.580**. Any person
5 who maintains or operates any business wherein a license is required pursuant to the provisions
6 of sections 301.550 to ~~[301.573]~~ **301.580**, without such license, is guilty of a class A
7 misdemeanor. Any person committing a second violation of sections 301.550 to ~~[301.573]~~
8 **301.580** shall be guilty of a class E felony.

9 2. All dealer licenses shall expire on December thirty-first of the designated license
10 period. The department shall notify each person licensed under sections 301.550 to ~~[301.573]~~
11 **301.580** of the date of license expiration and the amount of the fee required for renewal. The
12 notice shall be mailed at least ninety days before the date of license expiration to the licensee's
13 last known business address. The director shall have the authority to issue licenses valid for a

14 period of up to two years and to stagger the license periods for administrative efficiency and
15 equalization of workload, at the sole discretion of the director.

16 3. Every manufacturer, boat manufacturer, motor vehicle dealer, wholesale motor vehicle
17 dealer, wholesale motor vehicle auction, boat dealer or public motor vehicle auction shall make
18 application to the department for issuance of a license. The application shall be on forms
19 prescribed by the department and shall be issued under the terms and provisions of sections
20 301.550 to ~~[301.573]~~ **301.580** and require all applicants, as a condition precedent to the issuance
21 of a license, to provide such information as the department may deem necessary to determine that
22 the applicant is bona fide and of good moral character, except that every application for a license
23 shall contain, in addition to such information as the department may require, a statement to the
24 following facts:

25 (1) The name and business address, not a post office box, of the applicant and the
26 fictitious name, if any, under which ~~[he]~~ **the applicant** intends to conduct ~~[his]~~ business~~[-and]~~
27 **, the applicant's regular business hours, and a phone number and email address where the**
28 **applicant may be contacted during regular business hours.** If the applicant ~~[be]~~ is a
29 partnership, the **application shall list the** name and residence address of each partner, an
30 indication of whether the partner is a limited or general partner and the name under which the
31 partnership business is to be conducted. In the event that the applicant is a corporation, the
32 application shall list the names of the principal officers of the corporation and the state in which
33 it is incorporated. Each application shall be verified by the oath or affirmation of the applicant,
34 if an individual, or in the event an applicant is a partnership or corporation, then by a partner or
35 officer;

36 (2) Whether the application is being made for registration as a manufacturer, boat
37 manufacturer, new motor vehicle franchise dealer, used motor vehicle dealer, wholesale motor
38 vehicle dealer, boat dealer, wholesale motor vehicle auction or a public motor vehicle auction;

39 (3) When the application is for a new motor vehicle franchise dealer, the application
40 shall be accompanied by a copy of the franchise agreement in the registered name of the
41 dealership setting out the appointment of the applicant as a franchise holder and it shall be signed
42 by the manufacturer, or his authorized agent, or the distributor, or his authorized agent, and shall
43 include a description of the make of all motor vehicles covered by the franchise. The department
44 shall not require a copy of the franchise agreement to be submitted with each renewal application
45 unless the applicant is now the holder of a franchise from a different manufacturer or distributor
46 from that previously filed, or unless a new term of agreement has been entered into;

47 (4) When the application is for a public motor vehicle auction, that the public motor
48 vehicle auction has met the requirements of section 301.561.

49 4. No insurance company, finance company, credit union, savings and loan association,
50 bank or trust company shall be required to obtain a license from the department in order to sell
51 any motor vehicle, trailer or vessel repossessed or purchased by the company on the basis of total
52 destruction or theft thereof when the sale of the motor vehicle, trailer or vessel is in conformance
53 with applicable title and registration laws of this state.

54 5. No person shall be issued a license to conduct a public motor vehicle auction or
55 wholesale motor vehicle auction if such person has a violation of sections 301.550 to ~~[301.573]~~
56 **301.580** or other violations of chapter 301, sections 407.511 to 407.556, or section 578.120
57 which resulted in a felony conviction or finding of guilt or a violation of any federal motor
58 vehicle laws which resulted in a felony conviction or finding of guilt.

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

3 (1) Every application other than a renewal application for a motor vehicle franchise
4 dealer shall include a certification that the applicant has a bona fide established place of business.
5 Such application shall include an annual certification that the applicant has a bona fide
6 established place of business for the first three years and only for every other year thereafter. The
7 certification shall be performed by a uniformed member of the Missouri state highway patrol or
8 authorized or designated employee stationed in the troop area in which the applicant's place of
9 business is located; except that in counties of the first classification, certification may be
10 performed by an officer of a metropolitan police department when the applicant's established
11 place of business of distributing or selling motor vehicles or trailers is in the metropolitan area
12 where the certifying metropolitan police officer is employed. When the application is being
13 made for licensure as a boat manufacturer or boat dealer, certification shall be performed by a
14 uniformed member of the Missouri state water patrol stationed in the district area in which the
15 applicant's place of business is located or by a uniformed member of the Missouri state highway
16 patrol stationed in the troop area in which the applicant's place of business is located or, if the
17 applicant's place of business is located within the jurisdiction of a metropolitan police
18 department in a first class county, by an officer of such metropolitan police department. A bona
19 fide established place of business for any new motor vehicle franchise dealer, used motor vehicle
20 dealer, boat dealer, powersport dealer, wholesale motor vehicle dealer, trailer dealer, or
21 wholesale or public auction shall be a permanent enclosed building or structure, either owned
22 in fee or leased and actually occupied as a place of business by the applicant for the selling,
23 bartering, trading, servicing, or exchanging of motor vehicles, boats, personal watercraft, or
24 trailers and wherein the public may contact the owner or operator at any reasonable time, and
25 wherein shall be kept and maintained the books, records, files and other matters required and
26 necessary to conduct the business. The ~~[applicant's place of business]~~ **applicant** shall ~~[contain]~~

27 **maintain** a working telephone [~~which shall be maintained~~] **number** during the entire registration
28 year **which will allow the public, the department, and law enforcement to contact the**
29 **applicant during regular business hours. The applicant shall also maintain an email**
30 **address during the entire registration year which may be used for official correspondence**
31 **with the department.** In order to qualify as a bona fide established place of business for all
32 applicants licensed pursuant to this section there shall be an exterior sign displayed carrying the
33 name of the business set forth in letters at least six inches in height and clearly visible to the
34 public and there shall be an area or lot which shall not be a public street on which multiple
35 vehicles, boats, personal watercraft, or trailers may be displayed. The sign shall contain the
36 name of the dealership by which it is known to the public through advertising or otherwise,
37 which need not be identical to the name appearing on the dealership's license so long as such
38 name is registered as a fictitious name with the secretary of state, has been approved by its
39 line-make manufacturer in writing in the case of a new motor vehicle franchise dealer and a copy
40 of such fictitious name registration has been provided to the department. Dealers who sell only
41 emergency vehicles as defined in section 301.550 are exempt from maintaining a bona fide place
42 of business, including the related law enforcement certification requirements, and from meeting
43 the minimum yearly sales;

44 (2) The initial application for licensure shall include a photograph, not to exceed eight
45 inches by ten inches but no less than five inches by seven inches, showing the business building,
46 lot, and sign. A new motor vehicle franchise dealer applicant who has purchased a currently
47 licensed new motor vehicle franchised dealership shall be allowed to submit a photograph of the
48 existing dealership building, lot and sign but shall be required to submit a new photograph upon
49 the installation of the new dealership sign as required by sections 301.550 to [~~301.573~~] **301.580**.
50 Applicants shall not be required to submit a photograph annually unless the business has moved
51 from its previously licensed location, or unless the name of the business or address has changed,
52 or unless the class of business has changed;

53 (3) Every applicant as a new motor vehicle franchise dealer, a used motor vehicle dealer,
54 a powersport dealer, a wholesale motor vehicle dealer, trailer dealer, or boat dealer shall furnish
55 with the application a corporate surety bond or an irrevocable letter of credit as defined in section
56 400.5-102, issued by any state or federal financial institution in the penal sum of [~~twenty-five~~]
57 **fifty** thousand dollars on a form approved by the department. The bond or irrevocable letter of
58 credit shall be conditioned upon the dealer complying with the provisions of the statutes
59 applicable to new motor vehicle franchise dealers, used motor vehicle dealers, powersport
60 dealers, wholesale motor vehicle dealers, trailer dealers, and boat dealers, and the bond shall be
61 an indemnity for any loss sustained by reason of the acts of the person bonded when such acts
62 constitute grounds for the suspension or revocation of the dealer's license. The bond shall be

63 executed in the name of the state of Missouri for the benefit of all aggrieved parties or the
64 irrevocable letter of credit shall name the state of Missouri as the beneficiary; except, that the
65 aggregate liability of the surety or financial institution to the aggrieved parties shall, in no event,
66 exceed the amount of the bond or irrevocable letter of credit. The proceeds of the bond or
67 irrevocable letter of credit shall be paid upon receipt by the department of a final judgment from
68 a Missouri court of competent jurisdiction against the principal and in favor of an aggrieved
69 party. Additionally, every applicant as a new motor vehicle franchise dealer, a used motor
70 vehicle dealer, a powersport dealer, a wholesale motor vehicle dealer, or boat dealer shall furnish
71 with the application a copy of a current dealer garage policy bearing the policy number and name
72 of the insurer and the insured;

73 (4) Payment of all necessary license fees as established by the department. In
74 establishing the amount of the annual license fees, the department shall, as near as possible,
75 produce sufficient total income to offset operational expenses of the department relating to the
76 administration of sections 301.550 to 301.580. All fees payable pursuant to the provisions of
77 sections 301.550 to 301.580, other than those fees collected for the issuance of dealer plates or
78 certificates of number collected pursuant to subsection 6 of this section, shall be collected by the
79 department for deposit in the state treasury to the credit of the "Motor Vehicle Commission
80 Fund", which is hereby created. The motor vehicle commission fund shall be administered by
81 the Missouri department of revenue. The provisions of section 33.080 to the contrary
82 notwithstanding, money in such fund shall not be transferred and placed to the credit of the
83 general revenue fund until the amount in the motor vehicle commission fund at the end of the
84 biennium exceeds two times the amount of the appropriation from such fund for the preceding
85 fiscal year or, if the department requires permit renewal less frequently than yearly, then three
86 times the appropriation from such fund for the preceding fiscal year. The amount, if any, in the
87 fund which shall lapse is that amount in the fund which exceeds the multiple of the appropriation
88 from such fund for the preceding fiscal year.

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

95 3. Upon the initial issuance of a license by the department, the department shall assign
96 a distinctive dealer license number or certificate of number to the applicant and the department
97 shall issue one number plate or certificate bearing the distinctive dealer license number or
98 certificate of number and two additional number plates or certificates of number within eight

99 working hours after presentment of the application. Upon renewal, the department shall issue
 100 the distinctive dealer license number or certificate of number as quickly as possible. The
 101 issuance of such distinctive dealer license number or certificate of number shall be in lieu of
 102 registering each motor vehicle, trailer, vessel or vessel trailer dealt with by a boat dealer, boat
 103 manufacturer, manufacturer, public motor vehicle auction, wholesale motor vehicle dealer,
 104 wholesale motor vehicle auction or new or used motor vehicle dealer.

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

107	New motor vehicle franchise	
108	dealers	D-0 through D-999
109	New powersport dealers [and motorcycle	
110	franchise dealers]	D-1000 through D-1999
111	Used motor vehicle ; and used	
112	powersport [-and used motorcycle]	
113	dealers	D-2000 through D-9999
114	Wholesale motor vehicle	
115	dealers	W-0 through W-1999
116	Wholesale motor vehicle	
117	auctions	WA-0 through WA-999
118	New and used trailer dealers	T-0 through T-9999
119	Motor vehicle, trailer, and boat	
120	manufacturers	DM-0 through DM-999
121	Public motor vehicle auctions	A-0 through A-1999
122	Boat dealers	M-0 through M-9999
123	New and used recreational motor	
124	vehicle dealers	RV-0 through RV-999

125

126 For purposes of this subsection, qualified transactions shall include the purchase of salvage titled
 127 vehicles by a licensed salvage dealer. A used motor vehicle dealer who also holds a salvage
 128 dealer's license shall be allowed one additional plate or certificate number per fifty-unit qualified
 129 transactions annually. In order for salvage dealers to obtain number plates or certificates under
 130 this section, dealers shall submit to the department of revenue on August first of each year a
 131 statement certifying, under penalty of perjury, the dealer's number of purchases during the
 132 reporting period of July first of the immediately preceding year to June thirtieth of the present
 133 year. The provisions of this subsection shall become effective on the date the director of the
 134 department of revenue begins to reissue new license plates under section 301.130, or on

135 December 1, 2008, whichever occurs first. If the director of revenue begins reissuing new
136 license plates under the authority granted under section 301.130 prior to December 1, 2008, the
137 director of the department of revenue shall notify the revisor of statutes of such fact.

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

141 6. In the case of new motor vehicle manufacturers, motor vehicle dealers, powersport
142 dealers, recreational motor vehicle dealers, and trailer dealers, the department shall issue one
143 number plate bearing the distinctive dealer license number and may issue two additional number
144 plates to the applicant upon payment by the manufacturer or dealer of a fifty dollar fee for the
145 number plate bearing the distinctive dealer license number and ten dollars and fifty cents for each
146 additional number plate. Such license plates shall be made with fully reflective material with
147 a common color scheme and design, shall be clearly visible at night, and shall be aesthetically
148 attractive, as prescribed by section 301.130. Boat dealers and boat manufacturers shall be
149 entitled to one certificate of number bearing such number upon the payment of a fifty dollar fee.
150 Additional number plates and as many additional certificates of number may be obtained upon
151 payment of a fee of ten dollars and fifty cents for each additional plate or certificate. New motor
152 vehicle manufacturers shall not be issued or possess more than three hundred forty-seven
153 additional number plates or certificates of number annually. New and used motor vehicle
154 dealers, powersport dealers, wholesale motor vehicle dealers, boat dealers, and trailer dealers are
155 limited to one additional plate or certificate of number per ten-unit qualified transactions
156 annually. New and used recreational motor vehicle dealers are limited to two additional plates
157 or certificate of number per ten-unit qualified transactions annually for their first fifty
158 transactions and one additional plate or certificate of number per ten-unit qualified transactions
159 thereafter. An applicant seeking the issuance of an initial license shall indicate on his or her
160 initial application the applicant's proposed annual number of sales in order for the director to
161 issue the appropriate number of additional plates or certificates of number. A motor vehicle
162 dealer, trailer dealer, boat dealer, powersport dealer, recreational motor vehicle dealer, motor
163 vehicle manufacturer, boat manufacturer, or wholesale motor vehicle dealer obtaining a
164 distinctive dealer license plate or certificate of number or additional license plate or additional
165 certificate of number, throughout the calendar year, shall be required to pay a fee for such license
166 plates or certificates of number computed on the basis of one-twelfth of the full fee prescribed
167 for the original and duplicate number plates or certificates of number for such dealers' licenses,
168 multiplied by the number of months remaining in the licensing period for which the dealer or
169 manufacturers shall be required to be licensed. In the event of a renewing dealer, the fee due at
170 the time of renewal shall not be prorated. Wholesale and public auctions shall be issued a

171 certificate of dealer registration in lieu of a dealer number plate. In order for dealers to obtain
172 number plates or certificates under this section, dealers shall submit to the department of revenue
173 on August first of each year a statement certifying, under penalty of perjury, the dealer's number
174 of sales during the reporting period of July first of the immediately preceding year to June
175 thirtieth of the present year.

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

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

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

198 10. (1) Every application for the issuance of a used motor vehicle dealer's license shall
199 be accompanied by proof that the applicant, within the last twelve months, has completed an
200 educational seminar course approved by the department as prescribed by subdivision (2) of this
201 subsection. Wholesale and public auto auctions and applicants currently holding a new or used
202 license for a separate dealership shall be exempt from the requirements of this subsection. The
203 provisions of this subsection shall not apply to current new motor vehicle franchise dealers or
204 motor vehicle leasing agencies or applicants for a new motor vehicle franchise or a motor vehicle
205 leasing agency. The provisions of this subsection shall not apply to used motor vehicle dealers
206 who were licensed prior to August 28, 2006.

207 (2) The educational seminar shall include, but is not limited to, the dealer requirements
208 of sections 301.550 to ~~[301.573]~~ **301.580**, the rules promulgated to implement, enforce, and
209 administer sections 301.550 to ~~[301.570]~~ **301.580**, and any other rules and regulations
210 promulgated by the department.

301.562. 1. The department may refuse to issue or renew any license required pursuant
2 to sections 301.550 to 301.580 for any one or any combination of causes stated in subsection 2
3 of this section. The department shall notify the applicant or licensee in writing at his or her last
4 known address of the reasons for the refusal to issue or renew the license and shall advise the
5 applicant or licensee of his or her right to file a complaint with the administrative hearing
6 commission as provided by chapter 621.

7 2. The department may cause a complaint to be filed with the administrative hearing
8 commission as provided by chapter 621 against any holder of any license issued under sections
9 301.550 to 301.580 for any one or any combination of the following causes:

10 (1) The applicant or license holder was previously the holder of a license issued under
11 sections 301.550 to 301.580, which license was revoked for cause and never reissued by the
12 department, or which license was suspended for cause and the terms of suspension have not been
13 fulfilled;

14 (2) The applicant or license holder was previously a partner, stockholder, director or
15 officer controlling or managing a partnership or corporation whose license issued under sections
16 301.550 to 301.580 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 301.580; 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 301.580;

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 143, 144, 306, 307, 407, 578, and 643 or of any lawful rule or regulation
31 adopted pursuant to this chapter and chapters 143, 144, 306, 307, 407, 578, and 643;

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 or fails to establish or maintain a
38 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, section 578.120, which resulted in a
45 conviction or finding of guilt or violation of any federal motor vehicle laws which result in a
46 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, except for the matters set forth in subsection
50 5 of this section, be conducted in accordance with the provisions of chapter 621. Upon a finding
51 by the administrative hearing commission that the grounds, provided in subsection 2 of this
52 section, for disciplinary action are met, the department may, singly or in combination, refuse to
53 issue the person a license, issue a license for a period of less than two years, issue a private
54 reprimand, place the person on probation on such terms and conditions as the department deems
55 appropriate for a period of one day to five years, suspend the person's license from one day to
56 six days, or revoke the person's license for such period as the department deems appropriate. The
57 applicant or licensee shall have the right to appeal the decision of the administrative hearing
58 commission and department in the manner provided in chapter 536.

59 4. Upon the suspension or revocation of any person's license issued under sections
60 301.550 to 301.580, the department shall recall any distinctive number plates that were issued
61 to that licensee. If any licensee who has been suspended or revoked shall neglect or refuse to
62 surrender his or her license or distinctive number license plates issued under sections 301.550
63 to 301.580, the director shall direct any agent or employee of the department or any law
64 enforcement officer, to secure possession thereof and return such items to the director. For
65 purposes of this subsection, a "law enforcement officer" means any member of the highway
66 patrol, any sheriff or deputy sheriff, or any peace officer certified under chapter 590 acting in his
67 or her official capacity. Failure of the licensee to surrender his or her license or distinctive

68 number license plates upon demand by the director, any agent or employee of the department,
69 or any law enforcement officer shall be a class A misdemeanor.

70 5. Notwithstanding the foregoing provisions of this section, the following events or acts
71 by the holder of any license issued under sections 301.550 to 301.580 are deemed to present a
72 clear and present danger to the public welfare and shall be considered cause for suspension or
73 revocation of such license under the procedure set forth in subsection 6 of this section, at the
74 discretion of the director:

75 (1) The expiration or revocation of any corporate surety bond or irrevocable letter of
76 credit, as required by section 301.560, without submission of a replacement bond or letter of
77 credit which provides coverage for the entire period of licensure;

78 (2) The failure to maintain a bona fide established place of business as required by
79 section 301.560;

80 (3) Criminal convictions as set forth in subdivision (3) of subsection 2 of this section;
81 or

82 (4) Three or more occurrences of violations which have been established following
83 proceedings before the administrative hearing commission under subsection 3 of this section, or
84 which have been established following proceedings before the director under subsection 6 of this
85 section, of this chapter and chapters 143, 144, 306, 307, 578, and 643 or of any lawful rule or
86 regulation adopted under this chapter and chapters 143, 144, 306, 307, 578, and 643, not
87 previously set forth herein.

88 6. (1) Any license issued under sections 301.550 to 301.580 ~~shall~~ **may** be suspended
89 or revoked, following an evidentiary hearing before the director or his or her designated hearing
90 officer, if affidavits or sworn testimony by an authorized agent of the department alleges the
91 occurrence of any of the events or acts described in subsection 5 of this section.

92 (2) For any license which the department believes may be subject to suspension or
93 revocation under this subsection, the director shall immediately issue a notice of hearing to the
94 licensee of record. The director's notice of hearing:

95 (a) Shall be served upon the licensee personally or by first class mail to the dealer's last
96 known address, as registered with the director;

97 (b) Shall be based on affidavits or sworn testimony presented to the director, and shall
98 notify the licensee that such information presented therein constitutes cause to suspend or revoke
99 the licensee's license;

100 (c) Shall provide the licensee with a minimum of ten days' notice prior to hearing;

101 (d) Shall specify the events or acts which may provide cause for suspension or revocation
102 of the license, and shall include with the notice a copy of all affidavits, sworn testimony or other
103 information presented to the director which support discipline of the license; and

104 (e) Shall inform the licensee that he or she has the right to attend the hearing and present
105 any evidence in his or her defense, including evidence to show that the event or act which may
106 result in suspension or revocation has been corrected to the director's satisfaction, and that he or
107 she may be represented by counsel at the hearing.

108 (3) At any hearing before the director conducted under this subsection, the director or
109 his or her designated hearing officer shall consider all evidence relevant to the issue of whether
110 the license should be suspended or revoked due to the occurrence of any of the acts set forth in
111 subsection 5 herein. Within twenty business days after such hearing, the director or his or her
112 designated hearing officer shall issue a written order, with findings of fact and conclusions of
113 law, which either grants or denies the issuance of an order of suspension or revocation. The
114 suspension or revocation shall be effective ten days after the date of the order. The written order
115 of the director or his or her hearing officer shall be the final decision of the director and shall be
116 subject to judicial review under the provisions of chapter 536.

117 (4) Notwithstanding the provisions of this chapter or chapter 610 or 621 to the contrary,
118 the proceedings under this section shall be closed and no order shall be made public until it is
119 final, for purposes of appeal.

120 7. In lieu of acting under subsection 2 or 6 of this section, the department of revenue may
121 enter into an agreement with the holder of the license to ensure future compliance with sections
122 301.210, 301.213, 307.380, sections 301.217 to 301.229, and sections 301.550 to 301.580. Such
123 agreement may include an assessment fee not to exceed five hundred dollars per violation or five
124 thousand dollars in the aggregate unless otherwise permitted by law, probation terms and
125 conditions, and other requirements as may be deemed appropriate by the department of revenue
126 and the holder of the license. Any fees collected by the department of revenue under this
127 subsection shall be deposited into the motor vehicle commission fund created in section 301.560.

301.563. 1. The department or its designated representative may issue process, subpoena
2 witnesses, administer oaths, examine books and papers, and require the production thereof, and
3 cause the deposition of any witness to be taken and the costs thereof paid as other costs under
4 sections 301.550 to ~~[301.573]~~ **301.580**. Any party may process to compel the attendance of
5 witnesses and the production of books and papers, and at his own cost to take and use
6 depositions in like manner as in civil cases in the circuit court. The subpoena shall extend to all
7 parts of the state, and may be served as in civil actions in the circuit court, but the costs of the
8 service shall be as in other civil actions. Each witness shall receive the fees and mileage
9 prescribed by law in civil cases, but the same shall not be allowed as costs to the party in whose
10 behalf the witness was summoned unless the person who conducts the hearing certifies that the
11 testimony of the witness was necessary. All costs under this section shall be approved by the
12 department and paid out of the Missouri motor vehicle commission fund established in section

13 301.560, except that if the department determines that any proceedings are brought, prosecuted
14 or defended without reasonable ground, it may assess the whole cost of the proceedings upon the
15 party who brought, prosecuted or defended the proceedings.

16 2. If any person subpoenaed to appear at any hearing or proceeding fails to obey the
17 command of such subpoena without reasonable cause or if any person attending a hearing or
18 proceeding shall, without reasonable cause, refuse to be sworn or to be examined or to answer
19 a question or to produce a book or paper or to subscribe or swear to his deposition, such person
20 is guilty of a class B misdemeanor and on conviction thereof shall be punished by a fine of not
21 more than five hundred dollars, or by imprisonment in the county jail for not more than one year,
22 or by both such fine and imprisonment, and in the case of a continuing violation, each day's
23 continuance thereof shall be a separate and distinct offense.

301.564. 1. Any person or his agent licensed or registered as a manufacturer, motor
2 vehicle dealer, wholesale motor vehicle dealer, boat dealer, wholesale motor vehicle auction or
3 a public motor vehicle auction pursuant to the provisions of sections 301.550 to [301.573]
4 **301.580**, shall permit an employee of the department of revenue or any law enforcement official
5 to inspect, during normal business hours, any of the following documents which are in his
6 possession or under his custody or control:

- 7 (1) Any title to any motor vehicle or vessel;
- 8 (2) Any application for title to any motor vehicle or vessel;
- 9 (3) Any affidavit provided pursuant to sections 301.550 to [301.573] **301.580** or chapter
10 407;
- 11 (4) Any assignment of title to any motor vehicle or vessel;
- 12 (5) Any disclosure statement or other document relating to mileage or odometer readings
13 required by the laws of the United States or any other state;
- 14 (6) Any inventory and related documentation.

15 2. For purposes of this section, the term "law enforcement official" shall mean any of the
16 following:

- 17 (1) Attorney general, or any person designated by him to make such an inspection;
- 18 (2) Any prosecuting attorney or any person designated by a prosecuting attorney to make
19 such an inspection;
- 20 (3) Any member of the highway patrol or water patrol;
- 21 (4) Any sheriff or deputy sheriff;
- 22 (5) Any peace officer certified pursuant to chapter 590 acting in his official capacity.

301.566. 1. ~~[A motor vehicle dealer may participate in no more than two motor vehicle
2 shows or sales annually and conduct sales of motor vehicles away from the dealer's usual,
3 licensed place of business if either the requirements of subsection 2 or 3 of this section are met~~

4 or the event is conducted for not more than five consecutive days, the event does not require any
5 motor vehicle dealer participant to pay an unreasonably prohibitive participation fee, and if a
6 majority of the motor vehicle dealers within a class of dealers described pursuant to subsection
7 3 of section 301.550 in a city or town participate or are invited and have the opportunity to
8 participate in the event, except that a recreational motor vehicle dealer classified in subdivision
9 (5) of subsection 3 of section 301.550 may participate in such a show or sale even if a majority
10 of recreational motor vehicle dealers in a city or town do not participate in the event. If any show
11 or sale includes a class of dealer or franchised new vehicle line-make, that is also represented by
12 a same class dealer or dealer representing the same line-make outside of the boundary lines of
13 the city or town and is within ten miles of where the show or sale is to take place, the dealer
14 outside of the boundary lines of the city or town shall be invited to participate in the show or
15 sale. The department shall consider such events to be proper in all respects and as if each dealer
16 participant was conducting business at the dealer's usual business location. Nothing contained
17 in this section shall be construed as applying to the sale of motor vehicles or trailers through
18 either a wholesale motor vehicle auction or public motor vehicle auction.] **Except as provided**
19 **in this section, it shall be unlawful for a motor vehicle dealer to sell or offer to sell any**
20 **motor vehicle away from the dealer's registered place of business.**

21 2. [~~Any person, partnership, corporation or association disposing of vehicles used and~~
22 ~~titled solely in its ordinary course of business as provided in section 301.570 may sell at retail~~
23 ~~such vehicles away from that person's bona fide established place of business, thus constituting~~
24 ~~an off-site sale, by adhering to each of the following conditions with regard to each and every~~
25 ~~off-site sale conducted:~~

26 ~~—— (1) Have in effect a valid license, pursuant to sections 301.550 to 301.575, from the~~
27 ~~department for the sale of used motor vehicles;~~

28 ~~—— (2) No off-site sale may exceed five days in duration, and only one sale may be held per~~
29 ~~year, per county;~~

30 ~~—— (3) Pay to the motor vehicle commission fund, pursuant to section 301.560, a permit fee~~
31 ~~of five hundred fifty dollars for each off-site sale event;~~

32 ~~—— (4) Advise the department, at least ten days prior to the sale, of the date, location and~~
33 ~~duration of each off-site sale;~~

34 ~~—— (5) The sale of vehicles at off-site sales shall be limited to sales by a seller of vehicles~~
35 ~~used and titled solely in its ordinary course of business, and such sales shall be held in~~
36 ~~conjunction with a credit union and limited to members of the credit union, thus constituting a~~
37 ~~private sale to be advertised to members only;~~

38 ~~—— (6) Off-site sales by a seller of vehicles used and titled solely in its ordinary course of~~
39 ~~business may also be held in conjunction with other financial institutions provided that any such~~

40 sale event shall be held on the premises of the financial institution, and sales shall be limited to
41 persons who were customers of the financial institution prior to the date of the sale event.
42 Off-site sales held with such other financial institutions shall be limited to one sale per year per
43 institution;

44 ~~——(7) The sale of motor vehicles which have the designation of the current model year,~~
45 ~~except discontinued models, is prohibited at off-site sales until subsequent model year designated~~
46 ~~vehicles of the same manufacture and model are offered for sale to the public.] A motor vehicle~~
47 **dealer may participate in up to two off-premise motor vehicle shows or sales annually and**
48 **conduct sales of motor vehicles away from the dealer's registered place of business, which**
49 **for purposes of this section shall be considered "off-premise events", provided the**
50 **following:**

51 **(1) The off-premise event shall be conducted for not more than five consecutive**
52 **days;**

53 **(2) The off-premise event shall not require any motor vehicle dealer participant to**
54 **pay an unreasonably prohibitive participation fee:**

55 **(a) Participation fees may include those costs reasonably necessary for the off-**
56 **premise event such as rental of real property and provision of insurance coverage; and**

57 **(b) If a participation fee is required, the fee shall be the same for all motor vehicle**
58 **dealers participating in the event, but in no event shall any participation fee exceed five**
59 **hundred dollars per participant;**

60 **(3) A majority of motor vehicle dealers within a class of dealers described in**
61 **subsection 3 of section 301.550 that are located within the city or town in which the off-**
62 **premise event is situated participate in the event or are notified via mail or electronic**
63 **means and have the opportunity to participate in the event;**

64 **(4) A majority of motor vehicle dealers within a class of dealers described in**
65 **subsection 3 of section 301.550 that are located within a ten mile radius of the location of**
66 **the off-premise event participate in the event or are notified via mail or electronic means**
67 **and have the opportunity to participate in the event;**

68 **(5) Notices provided pursuant to subsections (3) and (4) of this section shall be**
69 **provided not less than forty-five days before the off-premise event is to take place and**
70 **invited dealers shall be given at least five business days to respond to the notice;**

71 **(6) The organizer of the off-premise event shall provide a copy of the notices issued**
72 **pursuant to subsections (3) and (4) of this section to the director at the time they are mailed**
73 **or electronically transmitted to the prospective participants; and**

74 **(7) No motor vehicle dealer shall participate in any off-premise event that is more**
75 **than ten miles from its licensed location.**

76 **3. Provided the requirements of this section are met, the department shall consider**
77 **such events to be proper in all respects and as if each dealer participant was conducting**
78 **business at the dealer's usual business location. Nothing contained in this section shall be**
79 **construed as applying to the sale of motor vehicles or trailers through either a wholesale**
80 **motor vehicle auction or public motor vehicle auction. A recreational motor vehicle dealer,**
81 **as classified by subdivision (5) of subsection 3 of section 301.550, may participate in an off-**
82 **premise event even if a majority of recreational motor vehicle dealers in a city or town do**
83 **not participate in the event.**

84 **4.** A recreational vehicle dealer, as that term is defined in section 700.010, who is
85 licensed in another state may participate in recreational vehicle shows or exhibits with
86 recreational vehicles within this state in which less than fifty dealers participate as exhibitors
87 with permission of the dealer's licensed manufacturer if all of the following conditions exist:

88 (1) The show or exhibition has a minimum of ten recreational vehicle dealers licensed
89 as motor vehicle dealers in this state;

90 (2) More than fifty percent of the participating recreational vehicle dealers are licensed
91 motor vehicle dealers in this state; and

92 (3) The state in which the recreational vehicle is licensed is a state contiguous to
93 Missouri and the state permits recreational vehicle dealers licensed in Missouri to participate in
94 recreational vehicle shows in such state pursuant to conditions substantially equivalent to the
95 conditions which are imposed on dealers from such state who participate in recreational vehicle
96 shows in Missouri.

97 ~~[4-]~~ **5.** A recreational vehicle dealer licensed in another state may participate in a vehicle
98 show or exhibition in Missouri which has, when it opens to the public, at least fifty dealers
99 displaying recreational vehicles if the show or exhibition is trade-oriented and is predominantly
100 funded by recreational vehicle manufacturers. All of the participating dealers who are not
101 licensed in Missouri shall be licensed as recreational vehicle dealers by the state of their
102 residence.

103 ~~[5-]~~ **6.** A recreational vehicle dealer licensed in another state who intends to participate
104 in a vehicle show or exhibition in this state shall send written notification of such intended
105 participation to the department of revenue at least thirty days prior to the vehicle show or
106 exhibition. Upon receipt of such written notification, the department of revenue shall make a
107 determination regarding compliance with the provisions of this section. If such recreational
108 vehicle dealer would be unable to participate in the vehicle show or exhibition in this state
109 pursuant to this section, the department of revenue shall notify the recreational vehicle dealer at
110 least fifteen days prior to the vehicle show or exhibition of the inability to participate in the
111 vehicle show or exhibition in this state.

112 ~~[6.]~~ 7. The department ~~[of revenue]~~ may assess a fine of up to one thousand dollars for
113 **the off-premise sale or display of any motor vehicle in** violation of this section.

 301.568. New motor vehicles may be exchanged for resale from one new motor vehicle
2 ~~[franchise]~~ **franchised** dealer to another who is franchised to sell the same make of new motor
3 vehicles by assignment of the manufacturer's statement of origin. Such exchange shall not be
4 deemed to be a sale and shall not require the motor vehicle dealer to register and make
5 application for a certificate of ownership as set out in this chapter. However, when an exchange
6 by assignment of the manufacturer's statement of origin is between a new motor vehicle
7 ~~[franchise]~~ **franchised** dealer and another motor vehicle dealer who has a franchise for a
8 different make of motor vehicle or a motor vehicle dealer who is not a new motor vehicle
9 ~~[franchise]~~ **franchised** dealer, the transaction shall be deemed a sale and shall void the resale of
10 that motor vehicle as a new motor vehicle, and it shall be unlawful for any motor vehicle dealer
11 to hold forth, offer for sale, advertise or sell such motor vehicle as a new motor vehicle. A motor
12 vehicle dealer shall not assign ownership on any vehicle in a retail sale by the assignment of a
13 manufacturer's statement of origin unless he is ~~[enfranchised]~~ **franchised** by the manufacturer
14 to sell that particular make of vehicle; however, this provision shall not take effect if the motor
15 vehicle dealer and the manufacturer are in the process of negotiating a new franchise agreement,
16 or the motor vehicle dealer has filed a timely protest to the manufacturer or appealed under
17 section 407.825 of the motor vehicle franchise practices act. The provisions of this section shall
18 not apply to mobile homes or trailers.

 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]~~ **301.580**;

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]~~ **301.580**, the sale, barter, exchange,
20 lease or rental with option to purchase of six or more motor vehicles in a calendar year by any
21 person, partnership, corporation, company or association, whether or not the motor vehicles are
22 owned by them, shall be prima facie evidence of intent to make a profit or gain of money and
23 such person, partnership, corporation, company or association shall be deemed to be acting as
24 a motor 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 E felony.

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

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