

SECOND REGULAR SESSION

HOUSE BILL NO. 2051

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SCHROER.

4732H.011

AN ACT

To repeal sections 301.550, 301.553, 301.555, 301.557, 301.558, 301.559, 301.560, 301.562, 301.563, 301.564, 301.565, 301.566, 301.570, 301.573, and 301.580, RSMo, and to enact in lieu thereof fifteen new sections relating to vehicle dealers, with penalty provisions.

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

Section A. Sections 301.550, 301.553, 301.555, 301.557, 301.558, 301.559, 301.560, 2 301.562, 301.563, 301.564, 301.565, 301.566, 301.570, 301.573, and 301.580, RSMo, are 3 repealed and fifteen new sections enacted in lieu thereof, to be known as sections 301.550, 4 301.552, 301.555, 301.557, 301.558, 301.559, 301.560, 301.562, 301.563, 301.564, 301.565, 5 301.566, 301.570, 301.573, and 301.580, to read as follows:

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

4 (1) "Boat dealer", any natural person, partnership, or corporation who, for a 5 commission or with an intent to make a profit or gain of money or other thing of value, sells, 6 barter, exchanges, leases or rents with the option to purchase, offers, attempts to sell, or 7 negotiates the sale of any vessel or vessel trailer, whether or not the vessel or vessel trailer is 8 owned by such person. The sale of six or more vessels or vessel trailers or both in any 9 calendar year shall be required as evidence that such person is eligible for licensure as a boat 10 dealer under sections 301.550 to 301.580; except that, such sales requirements shall be 11 waived for entities also licensed as boat manufacturers under section 301.559 who custom 12 manufacture boats:

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.

- 13 (a) For use with biological research and management equipment for fisheries; or
14 (b) For use with scientific sampling and for geological or chemistry purposes.

15

16 The boat dealer shall demonstrate eligibility for renewal of his license by selling six or more
17 vessels or vessel trailers or both in the prior calendar year while licensed as a boat dealer
18 pursuant to sections 301.550 to 301.580;

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

23 (3) [~~"Department", the Missouri department of revenue;~~

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

25 ~~(5)]~~ **"Commission", the Missouri motor vehicle commission established in**
26 **section 301.552;**

27 (4) "Emergency vehicles", motor vehicles used as ambulances, law enforcement
28 vehicles, and fire fighting and assistance vehicles;

29 **(5) "Executive director", the executive director of the Missouri motor vehicle**
30 **commission;**

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

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

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

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

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

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

46 (8) "Motor vehicle dealer" or "dealer", any person who, for commission or with an
47 intent to make a profit or gain of money or other thing of value, sells, barter, exchanges,
48 leases or rents with the option to purchase, or who offers or attempts to sell or negotiates the
49 sale of motor vehicles or trailers whether or not the motor vehicles or trailers are owned by

50 such person; provided, however, an individual auctioneer or auction conducted by an
51 auctioneer licensed pursuant to chapter 343 shall not be included within the definition of a
52 motor vehicle dealer. The sale of eight or more motor vehicles or trailers in any calendar year
53 shall be required as evidence that such person is engaged in the motor vehicle business and is
54 eligible for licensure as a motor vehicle dealer under sections 301.550 to 301.580. Any
55 licensed motor vehicle dealer failing to meet the minimum vehicle sales requirements as
56 referenced in this subsection shall not be qualified to renew his or her license for one year. To
57 be eligible for license renewal, applicants shall meet the minimum requirement of eight sales
58 per year;

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

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

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

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

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

78 (14) "Recreational motor vehicle dealer", a dealer of new or used motor vehicles
79 designed, constructed or substantially modified for use as temporary housing quarters,
80 including sleeping and eating facilities which are either permanently attached to the motor
81 vehicle or attached to a unit which is securely attached to the motor vehicle;

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

84 (16) "Trailer dealer", any person selling, either exclusively or otherwise, trailers as
85 defined in section 301.010. A trailer dealer may acquire a motor vehicle for resale only as a
86 trade-in for a trailer. Notwithstanding the provisions of section 301.010 and section 301.069,

87 trailer dealers may purchase one driveaway license plate to display such motor vehicle for
88 demonstration purposes. The sale of six or more trailers in any calendar year shall be
89 required as evidence that such person is engaged in the trailer business and is eligible for
90 licensure as a trailer dealer under sections 301.550 to 301.580. Any licensed trailer dealer
91 failing to meet the minimum trailer and vehicle sales requirements as referenced in this
92 subsection shall not be qualified to renew his or her license for one year. Applicants who
93 reapply after the one-year period shall meet the requirement of six sales per year;

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

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

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

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

108 (21) "Wholesale motor vehicle auction", any person, firm or corporation in the
109 business of providing auction services solely in wholesale transactions at its established place
110 of business in which the purchasers are motor vehicle dealers licensed by this or any other
111 jurisdiction, and which neither buys, sells nor owns the motor vehicles it auctions in the
112 ordinary course of its business. Except as required by law with regard to the auction sale of a
113 government-owned motor vehicle, a wholesale motor vehicle auction shall not provide
114 auction services in connection with the retail sale of a motor vehicle;

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

118 2. For purposes of sections 301.550 to 301.580, neither the term motor vehicle nor the
119 term trailer shall include manufactured homes, as defined in section 700.010.

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

121 (1) Boat dealers;

122 (2) Franchised new motor vehicle dealers;

123 (3) Used motor vehicle dealers;

- 124 (4) Wholesale motor vehicle dealers;
125 (5) Recreational motor vehicle dealers;
126 (6) Historic motor vehicle dealers;
127 (7) Classic motor vehicle dealers;
128 (8) Powersport dealers; and
129 (9) Trailer dealers.

301.552. 1. There is hereby created within the department of revenue the
2 **"Missouri Motor Vehicle Commission", which shall be responsible for the licensing of**
3 **all manufacturers, motor vehicle dealers, boat dealers, wholesale motor vehicle auctions,**
4 **public motor vehicle auctions, and wholesale motor vehicle dealers under the provisions**
5 **of sections 301.550 to 301.580 and the rules and regulations which it may adopt.**

6 **2. All the powers and duties of the department of revenue under sections 301.550**
7 **to 301.580 are transferred by type III transfer, as provided in the Omnibus State**
8 **Reorganization Act of 1974, to the motor vehicle commission. Members of the**
9 **commission shall be appointed by the governor, and the rules and regulations adopted**
10 **by the department prior to July 1, 2023, shall continue in effect until otherwise provided**
11 **by the commission.**

12 **3. The commission shall be composed of seven members, to be appointed by the**
13 **governor by and with the consent of the senate, not more than four of whom shall be of**
14 **the same political party. Each member of the commission shall be a citizen of the United**
15 **States, a resident of this state for at least five years prior to the appointment, and not**
16 **more than two members of the commission shall have any pecuniary interest in any**
17 **motor vehicle dealership or boat dealership.**

18 **4. The membership of the commission shall be appointed for a term of four**
19 **years, except that from the first seven-member commission, the governor shall designate**
20 **two members to serve a two-year term, two members to serve a three-year term, and**
21 **three members to serve a four-year term. Thereafter, each member shall be appointed**
22 **for a four-year term. Each member shall serve until the expiration of his or her term or**
23 **until a successor is appointed and qualified. Any vacancy on the commission shall be**
24 **filled by the governor, by and with the consent of the senate, for the duration of the**
25 **unexpired term.**

26 **5. The commission shall elect its own chair and secretary, each to serve for a**
27 **term of one year. The commission shall meet at such times as it may prescribe, but shall**
28 **meet at least once every two months. Special meetings may be held upon call of the**
29 **chair upon adequate notice given by the executive director to the members of the**
30 **commission. To conduct business and constitute a meeting, a quorum of the commission**
31 **must be present. Four members of the commission shall constitute a quorum. The**

32 members shall receive no salary or other compensation for their services as members,
33 but shall receive their necessary and actual traveling and other expenses incurred while
34 engaged in the discharge of their official duties.

35 6. The commission shall have the authority to adopt an official seal, which shall
36 be as follows: the official seal of the state of Missouri bordered by the inscription
37 "Missouri Motor Vehicle Commission".

38 7. All orders or decisions of the commission shall be in writing, signed by the
39 chair, attested to by the executive director, and affixed with an official seal.

40 8. The commission may employ an executive director to serve at its pleasure and
41 such other personnel as the commission in its discretion deems necessary for the
42 implementation of sections 301.550 to 301.580, other than those powers, duties, and
43 functions relating to representation of the public before the administrative hearing
44 commission.

45 9. The commission and the director of the department of revenue shall cooperate
46 with each other to carry out the provisions of sections 301.550 to 301.580 in order to
47 promote compliance with all laws, ordinances, and administrative rules and regulations
48 relating to the conduct of motor vehicle dealers, manufacturers, boat dealers, and boat
49 manufacturers. Nothing in sections 301.550 to 301.580 shall limit or restrain the
50 enforcement powers of the director of the department of revenue in matters not
51 specifically granted to the commission.

52 10. The commission shall have the authority to promulgate those rules and
53 regulations necessary to perform the provisions of sections 301.550 to 301.580 and is
54 vested with those powers and duties necessary and proper to enable it to fully and
55 effectively carry out the provisions of sections 301.550 to 301.580. Any rule or portion of
56 a rule, as that term is defined in section 536.010, that is created under the authority
57 delegated in sections 301.550 to 301.580 shall become effective only if it complies with
58 and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
59 Sections 301.550 to 301.580 and chapter 536 are nonseverable and if any of the powers
60 vested with the general assembly pursuant to chapter 536 to review, to delay the
61 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,
62 then the grant of rulemaking authority and any rule proposed or adopted after August
63 28, 2022, shall be invalid and void.

301.555. Every official and employee of the [department] **commission** and each
2 person who provides information to or otherwise participates in the operation of the
3 [department] **commission** shall be immune from civil liability for such acts so long as the acts
4 were performed in good faith, without malice, and were reasonably related to the scope of
5 inquiry of the [department] **commission**.

301.557. 1. The duties of the **executive** director shall **be prescribed by the**
2 **commission and shall** include, but not be limited to:

3 (1) The supervision **of the commission's office** and direction of the activities of the
4 ~~[department's]~~ **commission's** employees;

5 (2) Keeping custody of the ~~[department's]~~ **commission's** official seal and affixing of
6 this seal to all licenses and orders issued by the ~~[department]~~ **commission** pursuant to sections
7 301.550 to 301.580;

8 (3) The receipt and prompt disposition of all correspondence or inquiries directed to
9 the ~~[department]~~ **commission**;

10 (4) ~~[Maintaining]~~ **Obtaining** a record of total number of annual new motor vehicle
11 sales by individual franchise dealers and a separate record of total annual used motor vehicle
12 sales by individual motor vehicle dealers from the director of revenue. These records will be
13 available for public inspection;

14 (5) **Maintaining all minutes of the commission's proceedings and** being the
15 custodian of the files and records of the ~~[department]~~ **commission**;

16 (6) The performance of any other duty required in the enforcement of sections
17 301.550 to 301.580.

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

301.558. 1. A motor vehicle dealer, boat dealer, or powersport dealer may fill in the
2 blanks on standardized forms in connection with the sale or lease of a new or used motor
3 vehicle, vessel, or vessel trailer if the motor vehicle dealer, boat dealer, or powersport dealer
4 does not charge for the services of filling in the blanks or otherwise charge for preparing
5 documents.

6 2. A motor vehicle dealer, boat dealer, or powersport dealer may charge an
7 administrative fee in connection with the sale or lease of a new or used motor vehicle, vessel,
8 or vessel trailer for the storage of documents or any other administrative or clerical services

9 not prohibited by this section. A portion of the administrative fee may result in profit to the
10 motor vehicle dealer, boat dealer, or powersport dealer.

11 3. (1) Ten percent of any fee authorized under this section and charged by motor
12 vehicle dealers shall be remitted to the motor vehicle administration technology fund
13 established in this subsection, for the development of the system specified in this subsection.
14 Following the development of the system specified in this subsection, the **executive** director
15 of the ~~[department of revenue]~~ **Missouri motor vehicle commission** shall notify motor
16 vehicle dealers and implement the system, and the percentage of any fee authorized under this
17 section required to be remitted to the fund shall be reduced to one percent, which shall be
18 used for maintenance of the system. This subsection shall expire on January 1, 2037.

19 (2) There is hereby created in the state treasury the "Motor Vehicle Administration
20 Technology Fund", which shall consist of money collected as specified in this subsection.
21 The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and
22 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund
23 and money in the fund shall be used solely by the department of revenue for the purpose of
24 development and maintenance of a modernized, integrated system for the titling of vehicles,
25 issuance and renewal of vehicle registrations, issuance and renewal of driver's licenses and
26 identification cards, and perfection and release of liens and encumbrances on vehicles.

27 (3) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
28 remaining in the fund at the end of the biennium shall not revert to the credit of the general
29 revenue fund.

30 (4) The state treasurer shall invest moneys in the fund in the same manner as other
31 funds are invested. Any interest and moneys earned on such investments shall be credited to
32 the fund.

33 4. No motor vehicle dealer, boat dealer, or powersport dealer that sells or leases new
34 or used motor vehicles, vessels, or vessel trailers and imposes an administrative fee of five
35 hundred dollars or less in connection with the sale or lease of a new or used vehicle, vessel, or
36 vessel trailer for the storage of documents or any other administrative or clerical services shall
37 be deemed to be engaging in the unauthorized practice of law. The maximum administrative
38 fee permitted under this subsection shall be increased annually by an amount equal to the
39 percentage change in the annual average of the Consumer Price Index for All Urban
40 Consumers or its successor index, as reported by the federal Bureau of Labor Statistics or its
41 successor agency, or by zero, whichever is greater. The director of the department of revenue
42 shall annually furnish the maximum administrative fee determined under this section to the
43 secretary of state, who shall publish such value in the Missouri Register as soon as practicable
44 after January fourteenth of each year.

45 5. If an administrative fee is charged under this section, the same administrative fee
46 shall be charged to all retail customers unless the fee is limited by the dealer's franchise
47 agreement to certain classes of customers. The fee shall be disclosed on the retail buyer's
48 order form as a separate itemized charge.

49 6. A preliminary worksheet on which a sale price is computed and that is shown to the
50 purchaser, a retail buyer's order form from the purchaser, or a retail installment contract shall
51 include, in reasonable proximity to the place on the document where the administrative fee
52 authorized by this section is disclosed, the amount of the administrative fee and the following
53 notice in type that is boldfaced, capitalized, underlined, or otherwise conspicuously set out
54 from the surrounding written material:

55 "AN ADMINISTRATIVE FEE IS NOT AN OFFICIAL FEE AND IS NOT
56 REQUIRED BY LAW BUT MAY BE CHARGED BY A DEALER. THIS
57 ADMINISTRATIVE FEE MAY RESULT IN A PROFIT TO DEALER. NO PORTION
58 OF THIS ADMINISTRATIVE FEE IS FOR THE DRAFTING, PREPARATION, OR
59 COMPLETION OF DOCUMENTS OR THE PROVIDING OF LEGAL ADVICE. THIS
60 NOTICE IS REQUIRED BY LAW."

61 7. The general assembly believes that an administrative fee charged in compliance
62 with this section is not the unauthorized practice of law or the unauthorized business of law so
63 long as the activity or service for which the fee is charged is in compliance with the
64 provisions of this section and does not result in the waiver of any rights or remedies.
65 Recognizing, however, that the judiciary is the sole arbitrator of what constitutes the practice
66 of law, in the event that a court determines that an administrative fee charged in compliance
67 with this section, and that does not waive any rights or remedies of the buyer, is the
68 unauthorized practice of law or the unauthorized business of law, then no person who paid
69 that administrative fee may recover said fee or treble damages, as permitted under section
70 484.020, and no person who charged that fee shall be guilty of a misdemeanor, as provided
71 under section 484.020.

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

11 301.550 to 301.580 of the date of license expiration and the amount of the fee required for
12 renewal. The notice shall be mailed at least ninety days before the date of license expiration
13 to the licensee's last known business address. The **executive** director shall have the authority
14 to issue licenses valid for a period of up to two years and to stagger the license periods for
15 administrative efficiency and equalization of workload, at the sole discretion of the **executive**
16 director.

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

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

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

41 (3) When the application is for a new motor vehicle franchise dealer, the application
42 shall be accompanied by a copy of the franchise agreement in the registered name of the
43 dealership setting out the appointment of the applicant as a franchise holder and it shall be
44 signed by the manufacturer, or his authorized agent, or the distributor, or his authorized agent,
45 and shall include a description of the make of all motor vehicles covered by the franchise.
46 The **[department] commission** shall not require a copy of the franchise agreement to be
47 submitted with each renewal application unless the applicant is now the holder of a franchise

48 from a different manufacturer or distributor from that previously filed, or unless a new term
49 of agreement has been entered into;

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

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

58 5. No person shall be issued a license to conduct a public motor vehicle auction or
59 wholesale motor vehicle auction if such person has a violation of sections 301.550 to 301.580
60 or other violations of chapter 301, sections 407.511 to 407.556, or section 578.120 which
61 resulted in a felony conviction or finding of guilt or a violation of any federal motor vehicle
62 laws which resulted in a felony conviction or finding of guilt.

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

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
5 business. Such application shall include an annual certification that the applicant has a bona
6 fide established place of business for the first three years and only for every other year
7 thereafter. The certification shall be performed by a uniformed member of the Missouri state
8 highway patrol or authorized or designated employee stationed in the troop area in which the
9 applicant's place of business is located; except that in counties of the first classification,
10 certification may be performed by an officer of a metropolitan police department when the
11 applicant's established place of business of distributing or selling motor vehicles or trailers is
12 in the metropolitan area where the certifying metropolitan police officer is employed. When
13 the application is being made for licensure as a boat manufacturer or boat dealer, certification
14 shall be performed by a uniformed member of the Missouri state highway patrol or authorized
15 or designated employee stationed in the troop area in which the applicant's place of business
16 is located or, if the applicant's place of business is located within the jurisdiction of a
17 metropolitan police department in a first class county, by an officer of such metropolitan
18 police department. A bona fide established place of business for any new motor vehicle
19 franchise dealer, used motor vehicle dealer, boat dealer, powersport dealer, wholesale motor
20 vehicle dealer, trailer dealer, or wholesale or public auction shall be a permanent enclosed
21 building or structure, either owned in fee or leased and actually occupied as a place of
22 business by the applicant for the selling, bartering, trading, servicing, or exchanging of motor

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

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

52 (3) Every applicant as a new motor vehicle franchise dealer, a used motor vehicle
53 dealer, a powersport dealer, a wholesale motor vehicle dealer, trailer dealer, or boat dealer
54 shall furnish with the application a corporate surety bond or an irrevocable letter of credit as
55 defined in section 400.5-102, issued by any state or federal financial institution in the penal
56 sum of fifty thousand dollars on a form approved by the ~~[department]~~ **commission**. The bond
57 or irrevocable letter of credit shall be conditioned upon the dealer complying with the
58 provisions of the statutes applicable to new motor vehicle franchise dealers, used motor
59 vehicle dealers, powersport dealers, wholesale motor vehicle dealers, trailer dealers, and boat

60 dealers, and the bond shall be an indemnity for any loss sustained by reason of the acts of the
61 person bonded when such acts constitute grounds for the suspension or revocation of the
62 dealer's license. The bond shall be executed in the name of the state of Missouri for the
63 benefit of all aggrieved parties or the irrevocable letter of credit shall name the state of
64 Missouri as the beneficiary; except, that the aggregate liability of the surety or financial
65 institution to the aggrieved parties shall, in no event, exceed the amount of the bond or
66 irrevocable letter of credit. Additionally, every applicant as a new motor vehicle franchise
67 dealer, a used motor vehicle dealer, a powersport dealer, a wholesale motor vehicle dealer, or
68 boat dealer shall furnish with the application a copy of a current dealer garage policy bearing
69 the policy number and name of the insurer and the insured. The proceeds of the bond or
70 irrevocable letter of credit furnished by an applicant shall be paid upon receipt by the
71 ~~[department]~~ **commission** of a final judgment from a Missouri court of competent jurisdiction
72 against the principal and in favor of an aggrieved party. The proceeds of the bond or
73 irrevocable letter of credit furnished by an applicant shall be paid at the order of the
74 ~~[department]~~ **commission** and in the amount determined by the ~~[department]~~ **commission** to
75 any buyer or interested lienholder up to the greater of the amount required for the release of
76 the purchase money lien or the sales price paid by the buyer where a dealer has failed to fulfill
77 the dealer's obligations under an agreement to assign and deliver title to the buyer within
78 thirty days under a contract entered into pursuant to subsection 5 of section 301.210. The
79 ~~[department]~~ **commission** shall direct release of the bond or irrevocable letter of credit
80 proceeds upon presentation of a written agreement entered into pursuant to subsection 5 of
81 section 301.210, copies of the associated sales and finance documents, and the affidavit or
82 affidavits of the buyer or lienholder stating that the certificate of title with assignment thereof
83 has not been passed to the buyer within thirty days of the date of the contract entered into
84 under subsection 5 of section 301.210, that the dealer has not fulfilled the agreement under
85 the contract to repurchase the vehicle, that the buyer or the lienholder has notified the dealer
86 of the claim on the bond or letter of credit, and the amount claimed by the purchaser or
87 lienholder. In addition, prior to directing release and payment of the proceeds of a bond or
88 irrevocable letter of credit, the ~~[department]~~ **commission** shall ensure that there is satisfactory
89 evidence to establish that the vehicle which is subject to the written agreement has been
90 returned by the buyer to the dealer or that the buyer has represented to the ~~[department]~~
91 **commission** that the buyer will surrender possession of the vehicle to the dealer upon
92 payment of the proceeds of the bond or letter of credit directed by the ~~[department]~~
93 **commission**. Excepting ordinary wear and tear or mechanical failures not caused by the
94 buyer, the amount of proceeds to be paid to the buyer under the bond or irrevocable letter of
95 credit shall be reduced by an amount equivalent to any damage, abuse, or destruction incurred
96 by the vehicle while the vehicle was in the buyer's possession as agreed between the buyer

97 and the dealer. The dealer may apply to a court of competent jurisdiction to contest the claim
98 on the bond or letter of credit, including the amount of the claim and the amount of any
99 adjustment for any damage, abuse, or destruction, by filing a petition with the court within
100 thirty days of the notification by the buyer or lienholder. If the dealer does not fulfill the
101 agreement or file a petition to request judicial relief from the terms of the agreement or
102 contest the amount of the claim, the bond or letter of credit shall be released by the
103 ~~[department]~~ **commission** and directed paid in the amount or amounts presented by the
104 lienholder or buyer;

105 (4) Payment of all necessary license fees as established by the ~~[department]~~
106 **commission**. In establishing the amount of the annual license fees, the ~~[department]~~
107 **commission** shall, as near as possible, produce sufficient total income to offset operational
108 expenses of the ~~[department]~~ **commission** relating to the administration of sections 301.550
109 to 301.580. All fees payable pursuant to the provisions of sections 301.550 to 301.580, other
110 than those fees collected for the issuance of dealer plates or certificates of number collected
111 pursuant to subsection 6 of this section, shall be collected by the ~~[department]~~ **commission**
112 for deposit in the state treasury to the credit of the "Motor Vehicle Commission Fund", which
113 is hereby created. The motor vehicle commission fund shall be administered by the Missouri
114 ~~[department of revenue]~~ **motor vehicle commission**. The provisions of section 33.080 to the
115 contrary notwithstanding, money in such fund shall not be transferred and placed to the credit
116 of the general revenue fund until the amount in the motor vehicle commission fund at the end
117 of the biennium exceeds two times the amount of the appropriation from such fund for the
118 preceding fiscal year or, if the ~~[department]~~ **commission** requires permit renewal less
119 frequently than yearly, then three times the appropriation from such fund for the preceding
120 fiscal year. The amount, if any, in the fund which shall lapse is that amount in the fund which
121 exceeds the multiple of the appropriation from such fund for the preceding fiscal year.

122 2. In the event a new vehicle manufacturer, boat manufacturer, motor vehicle dealer,
123 wholesale motor vehicle dealer, boat dealer, powersport dealer, wholesale motor vehicle
124 auction, trailer dealer, or a public motor vehicle auction submits an application for a license
125 for a new business and the applicant has complied with all the provisions of this section, the
126 ~~[department]~~ **commission** shall make a decision to grant or deny the license to the applicant
127 within eight working hours after receipt of the dealer's application, notwithstanding any rule
128 of the ~~[department]~~ **commission**.

129 3. Except as otherwise provided in subsection 6 of this section, upon the initial
130 issuance of a license by the ~~[department]~~ **commission**, the ~~[department]~~ **commission** shall
131 assign a distinctive dealer license number or certificate of number to the applicant and the
132 ~~[department]~~ **commission** shall issue one number plate or certificate bearing the distinctive
133 dealer license number or certificate of number and two additional number plates or

134 certificates of number within eight working hours after presentment of the application and
 135 payment by the applicant of a fee of fifty dollars for the first plate or certificate and ten dollars
 136 and fifty cents for each additional plate or certificate. Upon renewal, the ~~[department]~~
 137 **commission** shall issue the distinctive dealer license number or certificate of number as
 138 quickly as possible. The issuance of such distinctive dealer license number or certificate of
 139 number shall be in lieu of registering each motor vehicle, trailer, vessel or vessel trailer dealt
 140 with by a boat dealer, boat manufacturer, manufacturer, public motor vehicle auction,
 141 wholesale motor vehicle dealer, wholesale motor vehicle auction or new or used motor
 142 vehicle dealer. The license plates described in this section shall be made with fully reflective
 143 material with a common color scheme and design, shall be clearly visible at night, and shall
 144 be aesthetically attractive, as prescribed by section 301.130.

145 4. Notwithstanding any other provision of the law to the contrary, the ~~[department]~~
 146 **commission** shall assign the following distinctive dealer license numbers to:

147	New motor vehicle franchise dealers	D-0 through D-999
148	New powersport dealers	D-1000 through D-1999
149	Used motor vehicle and used powersport	D-2000 through D-9999
150	dealers	
151	Wholesale motor vehicle dealers	W-0 through W-1999
152	Wholesale motor vehicle auctions	WA-0 through WA-999
153	New and used trailer dealers	T-0 through T-9999
154	Motor vehicle, trailer, and boat	DM-0 through DM-999
155	manufacturers	
156	Public motor vehicle auctions	A-0 through A-1999
157	Boat dealers	M-0 through M-9999
158	New and used recreational motor vehicle	RV-0 through RV-999
159	dealers	

160
 161 For purposes of this subsection, qualified transactions shall include the purchase of salvage
 162 titled vehicles by a licensed salvage dealer. A used motor vehicle dealer who also holds a
 163 salvage dealer's license shall be allowed one additional plate or certificate number per fifty-
 164 unit qualified transactions annually. In order for salvage dealers to obtain number plates or
 165 certificates under this section, dealers shall submit to the ~~[department of revenue]~~
 166 **commission** on August first of each year a statement certifying, under penalty of perjury,
 167 the dealer's number of purchases during the reporting period of July first of the immediately
 168 preceding year to June thirtieth of the present year. The provisions of this subsection shall
 169 become effective on the date the ~~[director of the department of revenue]~~ **executive director of**

170 **the Missouri motor vehicle commission** begins to reissue new license plates under section
171 301.130, or on December 1, 2008, whichever occurs first. If the **executive** director [~~of~~
172 ~~revenue~~] begins reissuing new license plates under the authority granted under section
173 301.130 prior to December 1, 2008, the **executive** director [~~of the department of revenue~~]
174 shall notify the revisor of statutes of such fact.

175 5. Upon the sale of a currently licensed motor vehicle dealership the [~~department~~]
176 **commission** shall, upon request, authorize the new approved dealer applicant to retain the
177 selling dealer's license number and shall cause the new dealer's records to indicate such
178 transfer. If the new approved dealer applicant elects not to retain the selling dealer's license
179 number, the [~~department~~] **commission** shall issue the new dealer applicant a new dealer's
180 license number and an equal number of plates or certificates as the [~~department~~] **commission**
181 had issued to the selling dealer.

182 6. In the case of motor vehicle dealers, the [~~department~~] **commission** shall issue one
183 number plate bearing the distinctive dealer license number and may issue one additional
184 number plate to the applicant upon payment by the dealer of a fifty dollar fee for the number
185 plate bearing the distinctive dealer license number and ten dollars and fifty cents for the
186 additional number plate. The [~~department~~] **commission** may issue a third plate to the motor
187 vehicle dealer upon completion of the dealer's fifteenth qualified transaction and payment of a
188 fee of ten dollars and fifty cents. In the case of new motor vehicle manufacturers, powersport
189 dealers, recreational motor vehicle dealers, and trailer dealers, the [~~department~~] **commission**
190 shall issue one number plate bearing the distinctive dealer license number and may issue two
191 additional number plates to the applicant upon payment by the manufacturer or dealer of a
192 fifty dollar fee for the number plate bearing the distinctive dealer license number and ten
193 dollars and fifty cents for each additional number plate. Boat dealers and boat manufacturers
194 shall be entitled to one certificate of number bearing such number upon the payment of a fifty
195 dollar fee. Additional number plates and as many additional certificates of number may be
196 obtained upon payment of a fee of ten dollars and fifty cents for each additional plate or
197 certificate. New motor vehicle manufacturers shall not be issued or possess more than three
198 hundred forty-seven additional number plates or certificates of number annually. New and
199 used motor vehicle dealers, powersport dealers, wholesale motor vehicle dealers, boat dealers,
200 and trailer dealers are limited to one additional plate or certificate of number per ten-unit
201 qualified transactions annually. New and used recreational motor vehicle dealers are limited
202 to two additional plates or certificate of number per ten-unit qualified transactions annually
203 for their first fifty transactions and one additional plate or certificate of number per ten-unit
204 qualified transactions thereafter. An applicant seeking the issuance of an initial license shall
205 indicate on his or her initial application the applicant's proposed annual number of sales in
206 order for the **executive** director to issue the appropriate number of additional plates or

207 certificates of number. A motor vehicle dealer, trailer dealer, boat dealer, powersport dealer,
208 recreational motor vehicle dealer, motor vehicle manufacturer, boat manufacturer, or
209 wholesale motor vehicle dealer obtaining a distinctive dealer license plate or certificate of
210 number or additional license plate or additional certificate of number, throughout the calendar
211 year, shall be required to pay a fee for such license plates or certificates of number computed
212 on the basis of one-twelfth of the full fee prescribed for the original and duplicate number
213 plates or certificates of number for such dealers' licenses, multiplied by the number of months
214 remaining in the licensing period for which the dealer or manufacturers shall be required to be
215 licensed. In the event of a renewing dealer, the fee due at the time of renewal shall not be
216 prorated. Wholesale and public auctions shall be issued a certificate of dealer registration in
217 lieu of a dealer number plate. In order for dealers to obtain number plates or certificates
218 under this section, dealers shall submit to the ~~[department of revenue]~~ **commission** on August
219 first of each year a statement certifying, under penalty of perjury, the dealer's number of sales
220 during the reporting period of July first of the immediately preceding year to June thirtieth of
221 the present year.

222 7. The plates issued pursuant to subsection 3 or 6 of this section may be displayed on
223 any motor vehicle owned by a new motor vehicle manufacturer. The plates issued pursuant to
224 subsection 3 or 6 of this section may be displayed on any motor vehicle or trailer owned and
225 held for resale by a motor vehicle dealer for use by a customer who is test driving the motor
226 vehicle, for use by any customer while the customer's vehicle is being serviced or repaired by
227 the motor vehicle dealer, for use and display purposes during, but not limited to, parades,
228 private events, charitable events, or for use by an employee or officer, but shall not be
229 displayed on any motor vehicle or trailer hired or loaned to others or upon any regularly used
230 service or wrecker vehicle. Motor vehicle dealers may display their dealer plates on a tractor,
231 truck or trailer to demonstrate a vehicle under a loaded condition. Trailer dealers may display
232 their dealer license plates in like manner, except such plates may only be displayed on trailers
233 owned and held for resale by the trailer dealer.

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

242 9. If any law enforcement officer has probable cause to believe that any license plate
243 or certificate of number issued under subsection 3 or 6 of this section is being misused in

244 violation of subsection 7 or 8 of this section, the license plate or certificate of number may be
245 seized and surrendered to the **[department] commission**.

246 10. (1) Every application for the issuance of a used motor vehicle dealer's license
247 shall be accompanied by proof that the applicant, within the last twelve months, has
248 completed an educational seminar course approved by the **[department] commission** as
249 prescribed by subdivision (2) of this subsection. Wholesale and public auto auctions and
250 applicants currently holding a new or used license for a separate dealership shall be exempt
251 from the requirements of this subsection. The provisions of this subsection shall not apply to
252 current new motor vehicle franchise dealers or motor vehicle leasing agencies or applicants
253 for a new motor vehicle franchise or a motor vehicle leasing agency. The provisions of this
254 subsection shall not apply to used motor vehicle dealers who were licensed prior to August
255 28, 2006.

256 (2) The educational seminar shall include, but is not limited to, the dealer
257 requirements of sections 301.550 to 301.580, the rules promulgated to implement, enforce,
258 and administer sections 301.550 to 301.580, and any other rules and regulations promulgated
259 by the **[department] commission**.

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

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

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

15 (2) The applicant or license holder was previously a partner, stockholder, director or
16 officer controlling or managing a partnership or corporation whose license issued under
17 sections 301.550 to 301.580 was revoked for cause and never reissued or was suspended for
18 cause and the terms of suspension have not been fulfilled;

19 (3) The applicant or license holder has, within ten years prior to the date of the
20 application, been finally adjudicated and found guilty, or entered a plea of guilty or nolo
21 contendere, in a prosecution under the laws of any state or of the United States, for any

22 offense reasonably related to the qualifications, functions, or duties of any business licensed
23 under sections 301.550 to 301.580; for any offense, an essential element of which is fraud,
24 dishonesty, or an act of violence; or for any offense involving moral turpitude, whether or not
25 sentence is imposed;

26 (4) Use of fraud, deception, misrepresentation, or bribery in securing any license
27 issued pursuant to sections 301.550 to 301.580;

28 (5) Obtaining or attempting to obtain any money, commission, fee, barter, exchange,
29 or other compensation by fraud, deception, or misrepresentation;

30 (6) Violation of, or assisting or enabling any person to violate any provisions of this
31 chapter and chapters 143, 144, 306, 307, 407, 578, and 643 or of any lawful rule or regulation
32 adopted pursuant to this chapter and chapters 143, 144, 306, 307, 407, 578, and 643;

33 (7) The applicant or license holder has filed an application for a license which, as of
34 its effective date, was incomplete in any material respect or contained any statement which
35 was, in light of the circumstances under which it was made, false or misleading with respect
36 to any material fact;

37 (8) The applicant or license holder has failed to pay the proper application or license
38 fee or other fees required pursuant to this chapter or chapter 306 or fails to establish or
39 maintain a bona fide place of business;

40 (9) Uses or permits the use of any special license or license plate assigned to the
41 license holder for any purpose other than those permitted by law;

42 (10) The applicant or license holder is finally adjudged insane or incompetent by a
43 court of competent jurisdiction;

44 (11) Use of any advertisement or solicitation which is false;

45 (12) Violations of sections 407.511 to 407.556, section 578.120, which resulted in a
46 conviction or finding of guilt or violation of any federal motor vehicle laws which result in a
47 conviction or finding of guilt.

48 3. Any such complaint shall be filed within one year of the date upon which the
49 **[department] commission** receives notice of an alleged violation of an applicable statute or
50 regulation. After the filing of such complaint, the proceedings shall, except for the matters set
51 forth in subsection 5 of this section, be conducted in accordance with the provisions of
52 chapter 621. Upon a finding by the administrative hearing commission that the grounds,
53 provided in subsection 2 of this section, for disciplinary action are met, the **[department]**
54 **commission** may, singly or in combination, refuse to issue the person a license, issue a
55 license for a period of less than two years, issue a private reprimand, place the person on
56 probation on such terms and conditions as the **[department] commission** deems appropriate
57 for a period of one day to five years, suspend the person's license from one day to six days, or
58 revoke the person's license for such period as the **[department] commission** deems

59 appropriate. The applicant or licensee shall have the right to appeal the decision of the
60 administrative hearing commission and **[department] commission** in the manner provided in
61 chapter 536.

62 4. Upon the suspension or revocation of any person's license issued under sections
63 301.550 to 301.580, the **[department] commission** shall recall any distinctive number plates
64 that were issued to that licensee. If any licensee who has been suspended or revoked shall
65 neglect or refuse to surrender his or her license or distinctive number license plates issued
66 under sections 301.550 to 301.580, the **executive** director shall direct any agent or employee
67 of the **[department] commission** or any law enforcement officer, to secure possession thereof
68 and return such items to the **executive** director. For purposes of this subsection, a "law
69 enforcement officer" means any member of the highway patrol, any sheriff or deputy sheriff,
70 or any peace officer certified under chapter 590 acting in his or her official capacity. Failure
71 of the licensee to surrender his or her license or distinctive number license plates upon
72 demand by the **executive** director, any agent or employee of the **[department] commission**, or
73 any law enforcement officer shall be a class A misdemeanor.

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

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

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

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

86 (4) Three or more occurrences of violations which have been established following
87 proceedings before the administrative hearing commission under subsection 3 of this section,
88 or which have been established following proceedings before the **executive** director under
89 subsection 6 of this section, of this chapter and chapters 143, 144, 306, 307, 578, and 643 or
90 of any lawful rule or regulation adopted under this chapter and chapters 143, 144, 306, 307,
91 578, and 643, not previously set forth herein.

92 6. (1) Any license issued under sections 301.550 to 301.580 may be suspended or
93 revoked, following an evidentiary hearing before the **executive** director or his or her
94 designated hearing officer, if affidavits or sworn testimony by an authorized agent of the

95 ~~[department]~~ **commission** alleges the occurrence of any of the events or acts described in
96 subsection 5 of this section.

97 (2) For any license which the ~~[department]~~ **commission** believes may be subject to
98 suspension or revocation under this subsection, the **executive** director shall immediately issue
99 a notice of hearing to the licensee of record. The **executive** director's notice of hearing:

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

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

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

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

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

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

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

127 7. In lieu of acting under subsection 2 or 6 of this section, the ~~[department of revenue]~~
128 **commission** may enter into an agreement with the holder of the license to ensure future
129 compliance with sections 301.210, 301.213, 307.380, sections 301.217 to 301.229, and
130 sections 301.550 to 301.580. Such agreement may include an assessment fee not to exceed
131 five hundred dollars per violation or five thousand dollars in the aggregate unless otherwise

132 permitted by law, probation terms and conditions, and other requirements as may be deemed
133 appropriate by the ~~[department of revenue]~~ **commission** and the holder of the license. Any
134 fees collected by the ~~[department of revenue]~~ **commission** under this subsection shall be
135 deposited into the motor vehicle commission fund created in section 301.560.

301.563. 1. The ~~[department]~~ **commission** or its designated representative may issue
2 process, subpoena witnesses, administer oaths, examine books and papers, and require the
3 production thereof, and cause the deposition of any witness to be taken and the costs thereof
4 paid as other costs under sections 301.550 to 301.580. Any party may process to compel the
5 attendance of witnesses and the production of books and papers, and at his own cost to take
6 and use depositions in like manner as in civil cases in the circuit court. The subpoena shall
7 extend to all parts of the state, and may be served as in civil actions in the circuit court, but the
8 costs of the service shall be as in other civil actions. Each witness shall receive the fees and
9 mileage prescribed by law in civil cases, but the same shall not be allowed as costs to the
10 party in whose behalf the witness was summoned unless the person who conducts the hearing
11 certifies that the testimony of the witness was necessary. All costs under this section shall be
12 approved by the ~~[department]~~ **commission** and paid out of the Missouri motor vehicle
13 commission fund established in section 301.560, except that if the ~~[department]~~ **commission**
14 determines that any proceedings are brought, prosecuted or defended without reasonable
15 ground, it may assess the whole cost of the proceedings upon the party who brought,
16 prosecuted or defended the proceedings.

17 2. If any person subpoenaed to appear at any hearing or proceeding fails to obey the
18 command of such subpoena without reasonable cause or if any person attending a hearing or
19 proceeding shall, without reasonable cause, refuse to be sworn or to be examined or to answer
20 a question or to produce a book or paper or to subscribe or swear to his deposition, such
21 person is guilty of a class B misdemeanor and on conviction thereof shall be punished by a
22 fine of not more than five hundred dollars, or by imprisonment in the county jail for not more
23 than one year, or by both such fine and imprisonment, and in the case of a continuing
24 violation, each day's 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
3 or a public motor vehicle auction pursuant to the provisions of sections 301.550 to 301.580
4 shall permit an employee of the ~~[department of revenue]~~ **commission** or any law enforcement
5 official to inspect, during normal business hours, any of the following documents which are in
6 his 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 301.580 or chapter 407;

- 10 (4) Any assignment of title to any motor vehicle or vessel;
- 11 (5) Any disclosure statement or other document relating to mileage or odometer
12 readings required by the laws of the United States or any other state;
- 13 (6) Any inventory and related documentation.
- 14 2. For purposes of this section, the term "law enforcement official" shall mean any of
15 the following:
- 16 (1) Attorney general, or any person designated by him to make such an inspection;
- 17 (2) Any prosecuting attorney or any person designated by a prosecuting attorney to
18 make such an inspection;
- 19 (3) Any member or authorized or designated employee of the Missouri state highway
20 patrol;
- 21 (4) Any sheriff or deputy sheriff;
- 22 (5) Any peace officer certified pursuant to chapter 590 acting in his official capacity.
- 301.565. 1. Upon application by the ~~[department]~~ **commission**, and the necessary
2 burden having been met, a court of general jurisdiction may grant an injunction, restraining
3 order or other order as may be appropriate to enjoin a person from:
- 4 (1) Offering to engage or engaging in the performance of any acts or practices for
5 which a license is required under the provisions of this chapter, upon a showing that such acts
6 or practices were performed or offered to be performed without a license; or
- 7 (2) Violating any provision of this chapter, any rule promulgated by the ~~[department]~~
8 **commission** pursuant to this chapter, subsection 1 of section 307.350, sections 407.511 to
9 407.556, or section 578.120.
- 10 2. Any action brought under this section shall be in addition to and not in lieu of any
11 remedy provided by this chapter and may be brought concurrently with other actions to
12 enforce this chapter.
- 301.566. 1. Except as provided in this section, it shall be unlawful for a motor
2 vehicle dealer to sell or offer to sell any motor vehicle away from the dealer's registered place
3 of business.
- 4 2. The sale of vehicles at off-site sales shall be limited to sales by a seller of vehicles
5 used and titled solely in its ordinary course of business, and such sales shall be held in
6 conjunction with a credit union and limited to members of the credit union, thus constituting a
7 private sale to be advertised to members only.
- 8 3. Off-site sales by a seller of vehicles used and titled solely in its ordinary course of
9 business may also be held in conjunction with other financial institutions provided that any
10 such sale event shall be held on the premises of the financial institution, and sales shall be
11 limited to persons who were customers of the financial institution prior to the date of the sale

12 event. Off-site sales held with such other financial institutions shall be limited to one sale per
13 year per institution.

14 4. A motor vehicle dealer may participate in up to two off-premise motor vehicle
15 shows or sales annually and conduct sales of motor vehicles away from the dealer's registered
16 place of business, which for purposes of this section shall be considered off-premise events
17 provided the following:

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

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

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

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

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

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

34 (5) Notices provided pursuant to subdivisions (3) and (4) of this subsection shall be
35 provided not less than forty-five days before the off-premise event is to take place and invited
36 dealers shall be given at least five business days to respond to the notice;

37 (6) The organizer of the off-premise event shall provide a copy of the notices issued
38 pursuant to subdivisions (3) and (4) of this subsection to the **executive** director at the time
39 they are mailed or electronically transmitted to the prospective participants; and

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

42 5. Provided the requirements of this section are met, the ~~[department]~~ **commission**
43 shall consider such events to be proper in all respects and as if each dealer participant was
44 conducting business at the dealer's usual business location. Nothing contained in this section
45 shall be construed as applying to the sale of motor vehicles or trailers through either a
46 wholesale motor vehicle auction or public motor vehicle auction. A recreational motor
47 vehicle dealer, as classified by subdivision (5) of subsection 3 of section 301.550, may

48 participate in an off-premise event even if a majority of recreational motor vehicle dealers in a
49 city or town do not participate in the event.

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

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

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

58 (3) The state in which the recreational vehicle is licensed is a state contiguous to
59 Missouri and the state permits recreational vehicle dealers licensed in Missouri to participate
60 in recreational vehicle shows in such state pursuant to conditions substantially equivalent to
61 the conditions which are imposed on dealers from such state who participate in recreational
62 vehicle shows in Missouri.

63 7. A recreational vehicle dealer licensed in another state may participate in a vehicle
64 show or exhibition in Missouri which has, when it opens to the public, at least fifty dealers
65 displaying recreational vehicles if the show or exhibition is trade-oriented and is
66 predominantly funded by recreational vehicle manufacturers. All of the participating
67 dealers who are not licensed in Missouri shall be licensed as recreational vehicle dealers by
68 the state of their residence.

69 8. A recreational vehicle dealer licensed in another state who intends to participate in
70 a vehicle show or exhibition in this state shall send written notification of such intended
71 participation to the ~~[department of revenue]~~ **commission** at least thirty days prior to the
72 vehicle show or exhibition. Upon receipt of such written notification, the ~~[department of~~
73 ~~revenue]~~ **commission** shall make a determination regarding compliance with the provisions
74 of this section. If such recreational vehicle dealer would be unable to participate in the
75 vehicle show or exhibition in this state pursuant to this section, the ~~[department of revenue]~~
76 **commission** shall notify the recreational vehicle dealer at least fifteen days prior to the
77 vehicle show or exhibition of the inability to participate in the vehicle show or exhibition in
78 this state.

79 9. The ~~[department]~~ **commission** may assess a fine of up to one thousand dollars for
80 the off-premise sale or display of any motor vehicle in violation of this section.

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
4 collector of antique motor vehicles, to sell or display with an intent to sell six or more motor

5 vehicles in a calendar year, except when such motor vehicles are registered in the name of the
6 seller, unless such person, partnership, corporation, company or association is:

7 (1) Licensed as a motor vehicle dealer by the **[department] commission** under the
8 provisions of sections 301.550 to 301.580;

9 (2) Exempt from licensure as a motor vehicle dealer pursuant to subsection 4 of
10 section 301.559;

11 (3) Selling commercial motor vehicles with a gross weight of at least nineteen
12 thousand 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 301.580, the sale, barter, exchange, lease or
20 rental with option to purchase of six or more motor vehicles in a calendar year by any person,
21 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
26 subsection 1 of this section is guilty of a class A misdemeanor. A second or subsequent
27 conviction shall be deemed a class E felony.

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

301.573. The **[department] commission** may review all title designations. Any
2 designation described in section 301.190 or 301.227, placed on a certificate of ownership or
3 certificate of title issued pursuant to section 301.190 or 301.227, shall remain on the
4 certificate of ownership or title, and any and all subsequent certificates of ownership or title
5 issued for that vehicle shall carry such designation on the face of such certificates of
6 ownership or title.

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

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

5 (2) The licensee shall auction no more than three percent of the total number of
6 vehicles presented for auction which are owned and titled in the name of the licensee or its
7 owners; and

8 (3) The duration is no more than three consecutive calendar days and is held no more
9 than three times in a calendar year by a licensee.

10 2. A special event motor vehicle auction shall be considered a public motor vehicle
11 auction for purposes of sections 301.559 and 301.564.

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

15 4. An application for a special event motor vehicle auction license must be received
16 by the ~~[department]~~ **commission** at least ninety days prior to the beginning of the special
17 event auction.

18 5. Applicants for a special motor vehicle auction are limited to no more than three
19 special event auctions in any calendar year. A separate application is required for each
20 special event motor vehicle auction.

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

29 7. The applicant for the special event motor vehicle auction shall be responsible for
30 ensuring that a sales tax license or special event sales tax license is obtained for the event if
31 one is required.

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

36 9. In addition to the causes set forth in section 301.562, the ~~[department]~~ **commission**
37 may promulgate rules that establish additional causes to refuse to issue or to revoke a special
38 event license.

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

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

42 12. Every applicant for a special event motor vehicle auction license shall furnish
43 with the application a corporate surety bond or an irrevocable letter of credit as defined in
44 section 400.5-102 issued by any state or federal financial institution in the penal sum of one

45 hundred thousand dollars on a form approved by the ~~[department]~~ **commission**. The bond or
46 irrevocable letter of credit shall be conditioned upon the applicant complying with the
47 provisions of the statutes applicable to a special event auction license holder and the bond
48 shall be an indemnity for any loss sustained by reason of the acts of the person bonded when
49 such acts constitute grounds for the revocation or denial of a special event auction license.
50 The bond shall be executed in the name of the state of Missouri for the benefit of all
51 aggrieved parties or the irrevocable letter of credit shall name the state of Missouri as the
52 beneficiary. The aggregate liability of the surety or financial institution to the aggrieved
53 parties shall not exceed the amount of the bond or irrevocable letter of credit. The proceeds
54 of the bond or irrevocable letter of credit shall be paid upon receipt by the ~~[department]~~
55 **commission** of a final judgment from a Missouri court of competent jurisdiction against the
56 principal and in favor of an aggrieved party.

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

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

62 15. Any rule or portion of a rule, as that term is defined in section 536.010, that is
63 created under the authority delegated in this section shall become effective only if it complies
64 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
65 This section and chapter 536 are nonseverable and if any of the powers vested with the
66 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
67 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
68 rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be invalid
69 and void.

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

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

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

15 ~~4. The department shall have the authority to promulgate those rules~~
~~and regulations necessary to perform the provisions of sections 301.550 to~~

16 ~~301.580 and is vested with those powers and duties necessary and proper to~~
17 ~~enable it to fully and effectively carry out the provisions of sections 301.550 to~~
18 ~~301.580. No rule or portion of a rule promulgated under the authority of~~
19 ~~sections 301.550 to 301.580 shall become effective unless it has been~~
20 ~~promulgated pursuant to the provisions of section 536.024.]~~

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